



Dave Yost • Auditor of State



**CITY OF GRANDVIEW HEIGHTS  
FRANKLIN COUNTY  
DECEMBER 31, 2016**

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**CITY OF GRANDVIEW HEIGHTS  
FRANKLIN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

<b>FEDERAL GRANTOR</b> <i>Pass Through Grantor</i> Program Title	Federal CFDA Number	Pass Through Entity Number	Total Federal Expenditures
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>			
<i>Passed Through Ohio Department of Transportation</i>			
<i>Highway Planning and Construction Cluster</i>			
Highway Planning and Construction - Congestion Mitigation and Air Quality	20.205	PID 90390	\$ 1,974,002
Highway Planning and Construction - Safe Routes to School	20.205	PID 95234	<u>14,747</u>
Total Highway Planning and Construction Cluster			<u>1,988,749</u>
Total U.S. Department of Transportation			<u><b>\$ 1,988,749</b></u>
<b>Total Expenditures of Federal Awards</b>			<u><b>\$ 1,988,749</b></u>

*The accompanying notes are an integral part of this schedule.*

**CITY OF GRANDVIEW HEIGHTS  
FRANKLIN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
2 CFR 200.510(b)(6)  
FOR THE YEAR ENDED DECEMBER 31, 2016**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the City of Grandview Heights (the City) under programs of the federal government for the year ended December 31, 2016. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement. The City has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.



# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

City of Grandview Heights  
Franklin County  
1016 Grandview Avenue  
Grandview Heights, Ohio 43212

To the Members of the City Council:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, Ohio (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated May 26, 2017.

### ***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinion on the financial statements, but not to the extent necessary to opine on the effectiveness of the City's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the City's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

May 26, 2017





# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

City of Grandview Heights  
Franklin County  
1016 Grandview Avenue  
Grandview Heights, Ohio 43212

To the members of the City Council:

### ***Report on Compliance for the Major Federal Program***

We have audited the City of Grandview Heights's (the City) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the City's major federal program for the year ended December 31, 2016. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the City's major federal program.

### ***Management's Responsibility***

The City's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

### ***Auditor's Responsibility***

Our responsibility is to opine on the City's compliance for the City's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the City's major program. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on the Major Federal Program***

In our opinion, the City of Grandview Heights complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended December 31, 2016.

***Report on Internal Control Over Compliance***

The City's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the City's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Grandview Heights (the City) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our unmodified report thereon dated May 26, 2017. We conducted our audit to opine on the City's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



**Dave Yost**  
Auditor of State  
Columbus, Ohio

May 26, 2017

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**CITY OF GRANDVIEW HEIGHTS  
FRANKLIN COUNTY**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
DECEMBER 31, 2016**

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unmodified
<i>(d)(1)(ii)</i>	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
<i>(d)(1)(iv)</i>	Were there any material weaknesses in internal control reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any significant deficiencies in internal control reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unmodified
<i>(d)(1)(vi)</i>	Are there any reportable findings under 2 CFR § 200.516(a)?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Highway Planning and Construction CFDA #20.205
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee under 2 CFR §200.520?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# Comprehensive Annual Financial Report

The City of GRANDVIEW HEIGHTS *Ohio*



For Fiscal Year Ended December 31, 2016

## **Cover Picture**

This year's City of Grandview Heights' Comprehensive Financial Report cover features the First Avenue Park. The park is located in the Grandview Yard development just east of Northwest Boulevard in front of the Nationwide Insurance offices. It will be dedicated on May 6, 2017.

The location of the park serves to connect the entire community with an additional civic presence along West First Avenue. It also serves as a focal point for the 100 acre mixed use development.

At 2.5-acres, the park is designed to accommodate community festivals or for passive use. The beautiful stone wall on its perimeter is the perfect height for sitting. Park furniture and trees complete the look on this meticulously cared-for civic space.





*The CITY of*  
GRANDVIEW HEIGHTS

# **Comprehensive Annual Financial Report**

For the Year Ended December 31, 2016

Issued by:

Finance Department

Robert Dvoraczky, CPA - Director of Finance

Megan Miller, CPA - Assistant Director of Finance

James Barone - Accountant

**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

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FRANKLIN COUNTY**

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*The CITY of*  
**GRANDVIEW HEIGHTS**

**INTRODUCTORY SECTION**



*The CITY of*  
GRANDVIEW HEIGHTS

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*The CITY of*  
**GRANDVIEW HEIGHTS**

May 26, 2017

Honorable Mayor, Members of City Council  
and Citizens of Grandview Heights, Ohio

We are pleased to issue the Comprehensive Annual Financial Report (CAFR) of the City of Grandview Heights, Ohio (City) for the year ended December 31, 2016. This report is prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). It is intended to provide all pertinent and necessary information that may be required by citizens and elected officials of Grandview Heights, investment banks and underwriters, and all other interested parties on the fiscal condition of the City.

City management assumes full responsibility for the completeness and reliability of the information contained in this report. To the best of our knowledge and belief, the financial and other data contained in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City. The accounting system encompasses appropriations, encumbrances, expenditures, revenues, payroll and capital assets, and ensures the financial information generated is both accurate and reliable. All disclosures necessary to enable the citizens and other readers to gain an understanding of the City's financial activities are included in this report.

### **Internal Controls**

City managers have established an internal control framework designed with a system of checks and balances to compile sufficient reliable information for preparation of the City financial statements. Internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets. The concept of reasonable assurance is based on the assumption that the cost of controls should not outweigh their benefits.

### **Independent Audit**

The City is required by state law to have an annual audit performed by either the Auditor of State's Office or by an independent auditing firm. The City has engaged the services of the Auditor of State's Office, to audit the City's financial records. The Auditor of State's Office concluded that the City's financial statements ending December 31, 2016 are presented fairly in conformity with generally accepted accounting principles. The Independent Auditor's Report on the City's financial statements is included in the Financial Section of this report.

### **Management's Discussion and Analysis**

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A as they are designed to complement each other. The City's MD&A can be found immediately following the independent auditor's report.

## **Profile of the Government**

The City of Grandview Heights is located in central Ohio, adjacent to the City of Columbus. Incorporated in 1906, the City operates under a charter form of government, which was originally adopted on July 28, 1931. The voters adopted the current charter in March 2000. An elected Mayor and a seven-member City Council govern the City, each elected to four-year terms. The City covers an area of approximately 1.24 square miles, with a population estimated at 7,014 residents.

The City provides a full range of municipal services mandated by statute or charter, including police and fire protection, parks, recreation, street maintenance, refuse removal, planning, zoning and other general government services. Health services are contracted with, and provided by, the Franklin County Board of Health.

The Council is required to adopt a final budget no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function and department for all funds except for the agency funds.

## **Long-Term Financial Planning**

The City follows a conservative financial approach, limiting debt and utilizing a prioritized capital improvement plan, whereby capital purchases are thoroughly reviewed for necessity and available funding alternatives are evaluated before investments are made. Five percent (5%) of income tax receipts are designated as an ongoing funding source for capital improvements. The City's plan for the future is to continue economic development activities to bring more businesses to the City providing additional income tax dollars. The hiring of new employees and filling of vacancies is also aligned with our strategic vision on the service level that best meet the needs of our citizens.

## **Relevant Financial Policies**

The City has a responsibility to its citizens to carefully account for public funds, manage municipal finances wisely, and to plan for the provision of services desired by the public. Sound financial policies are necessary to carry out that responsibility. To that end, City Council adopted updated Debt, Cash Reserve, Investment and Depository and Budgeting and Financial Planning policies in the Spring of 2016. These policies provide a summary of significant financial and budgetary policies required by state law, the City Charter, City ordinances, accounting principles generally accepted in the United States and administrative practices.

The policies are designed to: (1) provide conceptual standards for financial decision making; (2) enhance consistency in financial decisions; and (3) establish parameters for the Administration and Finance Department to use in directing day-to-day financial affairs of the City. The scope of the policies includes budgeting, financial reporting, auditing, internal controls, asset management, risk management, capital improvement program, debt management and financial performance targets.

## **Economic Condition and Outlook**

The City's primary revenue source is a local income tax on residents and on Grandview-based businesses and their employees working in the City. In May 2010, taxpayers approved a permanent increase in the income tax rate to 2.5% effective July 1, 2010. This rate change in conjunction with ongoing economic development effort is a strong step forward for the City.

Overall, the economy of Grandview Heights continued to grow throughout 2016 as the city and surrounding area within the city of Columbus remains a very strong market for commercial and residential development.

As it has been over the last few years, the city's economic development efforts center on the 100-acre redevelopment site now called GRANDVIEW YARD. A development agreement with the developer, Nationwide Realty Investors (NRI), was approved at the end of 2009. The agreement established a tax increment financing district and put in place other incentives that NRI needs to construct what was then planned to be two (2) million sq. ft. of retail, office, residential and entertainment space. City Officials welcomed the project as the development as planned was very consistent with the City's planning



## City of Grandview Heights, Ohio

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efforts that expressed a preference for higher density mixed use development in a neighborhood setting. In 2014, the City and NRI amended the agreement and the development plan so as to have Nationwide Insurance build a campus to accommodate 4,000 of its associates.

By the end of 2015 over \$100M of public infrastructure was in place. At the end of 2016, work began on two of the remaining planned offsite roadway improvements. The largest improvement is the widening of the railroad bridge on W. Third Avenue. This project is partially funded by a grant from the Ohio Public Works Commission. The other project will add more lanes onto the SR 315 off-ramp at Olentangy River Road.

On the private development side, nearly of all the 194,000 sq. ft. of first class office space in Grandview Yard is leased. The tenants include the Columbus offices of the Ernst & Young CPA firm and Northwestern Mutual Insurance Company, Willis of Ohio, Trinity Healthcare Architects, Ohio State Internal Medicine, FKP Architects and C. H. Robinson. Nationwide Insurance Company began moving into the first two of four buildings it is constructing in Grandview Yard. The two buildings total 500,000 sq. ft. and accommodate approximately 2,500 Nationwide associates. Nationwide Realty began construction of a parking garage for 1,550 cars in 2016. This garage will service the two additional office buildings being constructed for Nationwide Insurance Company. The two new office buildings were started in the fall of 2016 and add a total 265,000 sq. ft. to the company's office space. It is expected that an additional 1,500 Nationwide associates will begin moving into the new buildings.

In the fall of 2016, a 135 room Courtyard by Marriott hotel was opened along with an adjoining 12,000 sq. ft. conference center called the Grand Events Center. Part of the "bed tax" revenue generated by the new hotel is planned to be devoted to partially funding the renovation of the city's outdoor pool. The Marriott markets their facility to business travelers along with conference attendees. The 126 room Hyatt Place across the street continues to do well by attracting visitors from The Ohio State University.

Grandview Yard now has 440 apartment units available for lease. Renters are attracted to the mixed-use surroundings of Grandview Yard as well as the proximity to OSU and downtown Columbus. Construction began on another mixed-used apartment/retail building in 2016.

The sale of owner occupied residential units continues in a portion of Grandview Yard called Pullman Way. This project will have 20 single family units and 26 townhouse units for sale. Eight townhouses and five single family homes are now completed. Construction began on a project named 828 at the Yard. This project will offer 35 flat style condominium units.

The City also had economic development activity along Goodale Boulevard. A retention incentive agreement was struck with Bravo Brio Restaurant Group to keep the company and its 115 workers at 777 West Goodale Boulevard. A retention incentive agreement was also struck with Navigator Management Partners to keep it 121 associates at 1400 W. Goodale Boulevard. Joining Navigator Management in the building at 1400 Goodale Boulevard will be two new tenants. Zaner Bloser, an education publication company, brought 40 employees to the office space and plans to hire an additional 25 people. King Office Interiors will bring 61 people and plans to hire 10 to 19 additional associates. Both companies received an incentive to hire additional personnel.

### **Major Initiatives**

In 2016, City Council acted on its desire to use the City's available bonding capacity and the current low interest rates to undertake major capital projects. The City confirmed its AAA bond rating with Standard & Poor's and in June issued \$6,630,000 in Various Purpose Bonds for street and sewer work. In addition, in November the City sold \$5,500,000 in Pool Construction Bonds that closed in January 2017.

As a result of the issuance of bonds, the city undertook an extensive street and utility improvement program in 2016. These projects included paving and water line improvements on Westwood, Elmwood, Broadview and Ashland Avenues. In addition, plans were prepared for a large city wide street improvement project that will repave and repair damaged curbs around the city. Burr Avenue was improved with a storm drainage system, a new sidewalk along the south side of the street and new paved surface. The city also completed a major project that improved Northwest Boulevard and W. First Avenue.

## City of Grandview Heights, Ohio

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This project was funded by a combination of a \$2M grant from the Ohio Public Works Commission, approximately \$1.4M in tax increment improvement funds and approximately of \$1.2M of city funds. As a note, the city of Columbus awarded a bid to widen the railroad bridge over West Third Avenue. This improvement will be partially funded by a \$5M grant from the Ohio Public Works Commission. This project will greatly aid traffic flow in and out of Grandview Yard. It will also provide needed pedestrian and bicycle amenities. Grandview Heights will participate in the project and undertake improvements to Edgehill Road/Bobcat Avenue and W. Third Avenue improvements.

In August, construction commenced on the total reconstruction of the Grandview Heights Community Pool. Corna-Kokosing Construction Company was retained to serve in the role of construction manager at risk. The project was bid in two phases to get the pool open by Memorial Day 2017. The design of the pool was influenced by residents who provided their ideas and preferences for pool facilities. The existing pool has reached the end of its life cycle and cannot be rehabilitated with any kind of cost effectiveness.

Destination Grandview, the city's convention and visitor's bureau hired Brian Cheek as its Director. Brian previously worked for Experience Columbus. He has hit the ground running and has already produced new promotional materials for distribution and has made many new contracts.

The Mayor's Traffic Advisory Group completed a report that was forwarded to city council. The report will be used to help develop policies and ideas that the city may use when dealing with issues related to vehicular and pedestrian safety, bike routes, excessive traffic on local streets, speeding and street aesthetics.

Grandview Yard is becoming the city's primary outdoor event location. The fifth annual DIGFEST was held on a closed portion of Yard Street. The very popular event brings in local wine, spirits and craft beer producers who bring their wares for sampling by attendees.

The twenty-third TOUR DE GRANDVIEW bike race attracted many people despite the rain. Visitors and residents enjoy the unique opportunity to watch a professional bike race through residential streets at night. Along with several house parties on the route, Destination Grandview, the Grandview Community Association and many volunteers put together a great street party to entertain the crowds.

## **Awards**

### ***Certificate of Achievement for Excellence in Financial Reporting***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Grandview Heights for its comprehensive annual financial report for the fiscal year ended December 31, 2015. This was the twelfth year that the City has achieved this prestigious award. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. To earn the Certificate of Achievement, the City publishes an easily readable and efficiently organized comprehensive annual financial report whose contents conformed to program standards and satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current 2016 report continues to meet the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

For the last five years the City was recognized by the Auditor of State and presented with the Award of Distinction for excellence in financial reporting and accountability. Less than 5% of the 5,600 state and local agencies audited, received this prestigious award.

**Acknowledgment**

The publication of this report demonstrates the professionalism of the City of Grandview Heights government as a whole. Preparation of this report was achieved through the cooperation of the Mayor, members of City Council, each department head and many of our other colleagues. We are grateful for their assistance. Finally, the preparation of this report would not have been possible without the dedicated efforts of the Finance Department staff.

Most importantly, we are grateful to the citizens of the City of Grandview Heights for the opportunity to serve them and provide valuable information on the financial operations of the City.

Respectfully submitted,



Director of Finance  
Robert Dvoraczky



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Grandview Heights  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

**CITY OF GRANDVIEW HEIGHTS, OHIO  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2016**

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**ELECTED OFFICIALS**

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Mayor	Ray E. DeGraw
President of Council	Greta Kearns
Vice President of Council	Chris Smith
Council Members	Steve Gladman
	Emily Keeler
	Anthony Panzera
	Stephen Papineau
	Steve Reynolds

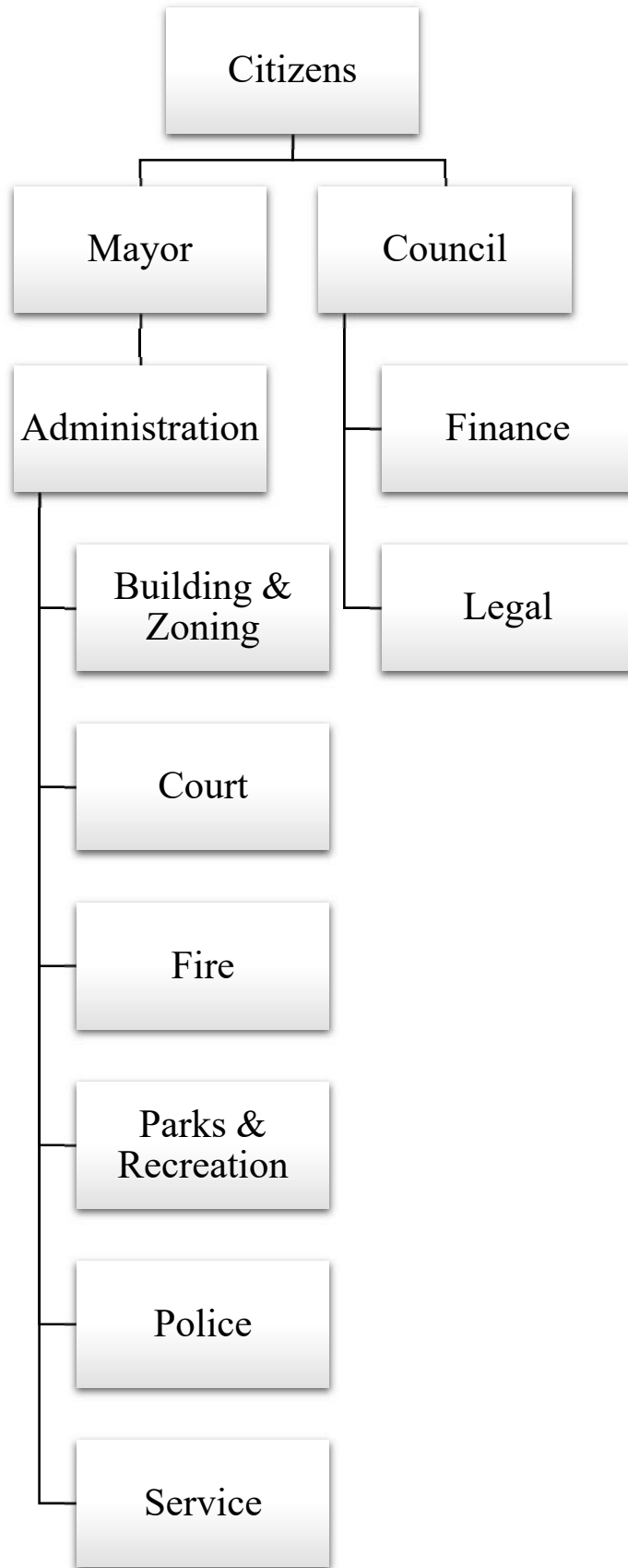
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**APPOINTED OFFICIALS**

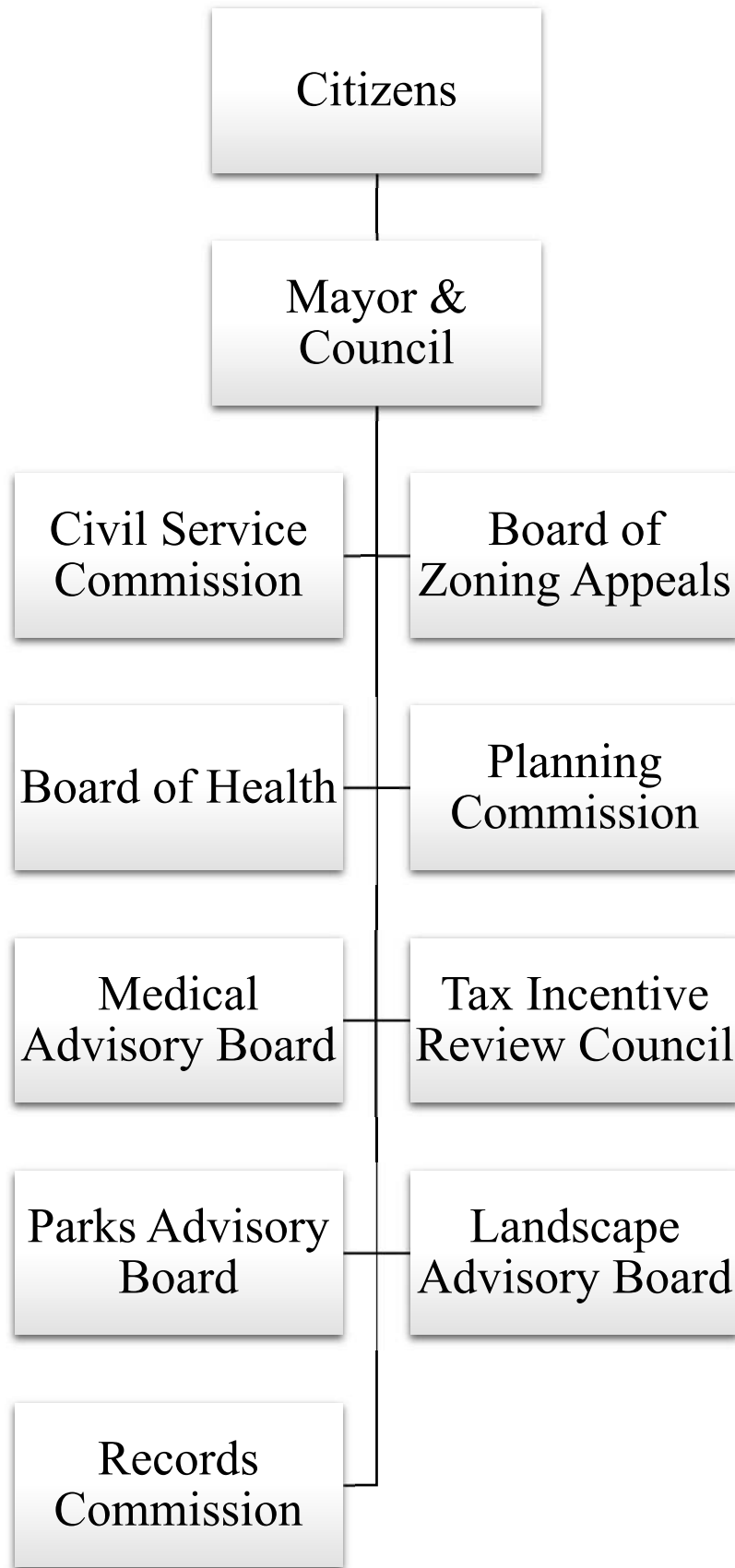
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Director of Administration	Patrick G. Bowman
Director of Finance	Robert J. Dvoraczky, CPA
City Attorney	Joelle Khouzam
Chief of Police	Thomas McCann
Fire Chief	Steven J. Shaner
Director of Building & Zoning	Charles Boshane
Director of Parks & Recreation	Sean M. Robey
Director of Service	Darryl Hughes

# CITY OF GRANDVIEW HEIGHTS ORGANIZATIONAL CHART



# CITY OF GRANDVIEW HEIGHTS BOARDS AND COMMISSIONS





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GRANDVIEW HEIGHTS

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*The CITY of*  
**GRANDVIEW HEIGHTS**

**FINANCIAL SECTION**



*The CITY of*  
GRANDVIEW HEIGHTS

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# Dave Yost • Auditor of State

## INDEPENDENT AUDITOR'S REPORT

City of Grandview Heights  
Franklin County  
1016 Grandview Avenue  
Grandview Heights, Ohio 43212

To the Members of City Council:

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, Ohio (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the City's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Grandview Heights, Franklin County, Ohio, as of December 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require this presentation to include *Management's discussion and analysis, required budgetary comparison schedules* and schedules of net pension liabilities and pension contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

*Supplementary and Other Information*

Our audit was conducted to opine on the City's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected these statements and schedules to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling statements and schedules directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 26, 2017, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping "D" and "Y".

**Dave Yost**  
Auditor of State  
Columbus, Ohio

May 26, 2017



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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(UNAUDITED)

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The management's discussion and analysis of the City of Grandview Heights's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2016. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements, transmittal letter and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

**Financial Highlights**

Key financial highlights for 2016 are as follows:

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by approximately \$60.0 million (net position), an increase of approximately \$10.8 million in comparison with the prior year.
- General revenues accounted for approximately \$15.9 million, or 52.5 percent of total governmental activities revenue. Program specific revenues accounted for the remaining 47.5 percent, or approximately \$14.4 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of approximately \$13.7 million, a \$4.5 million increase in comparison with the prior year. Of this amount, approximately \$6.9 million is available for spending at the City's discretion (unassigned fund balance).
- At the close of the current fiscal year, unassigned fund balance for the general fund was approximately \$8.2 million, or 57.1 percent of general fund expenditures.

**The Comprehensive Annual Financial Report**

This annual report consists of a transmittal letter, series of financial statements, notes to these statements and statistical section. These statements are organized so the reader can understand the City as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The statement of net position and statement of activities provide information about the activities of the City as a whole, presenting both an aggregate view of the City's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other nonmajor funds presented in total in one column.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
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**Reporting the City as a Whole**

**Statement of Net Position and the Statement of Activities**

While this document contains a large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The statement of net position and the statement of activities answer this question. These statements include all assets, liabilities, deferred inflows/outflows of resources, revenues and expenses using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting will take into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the City's net position and changes in that position. This change in net position is important because it tells the reader that, for the City as a whole, the financial position of the City has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required community programs and other factors.

Governmental activities - All of the City's programs and services are reported here including police, fire and rescue, street maintenance, capital improvements and general administration. These services are funded primarily by property and income taxes, and intergovernmental revenues including federal and State grants and other shared revenues.

The City's statement of net position and statement of activities can be found on pages 24-25 of this report.

**Reporting the City's Most Significant Funds**

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and fiduciary funds.

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(UNAUDITED)

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Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, the readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the General Fund, Street Maintenance and Repair Fund, Grandview Yard TIF Fund, and Parks and Recreation Improvement Fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 26-32 of this report.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Both of the City's fiduciary funds are agency funds. The basic fiduciary fund financial statement can be found on page 33 of this report.

**Notes to the Basic Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements start on page 35 of this report.

**Government-Wide Financial Analysis**

**Statement of Net Position**

Over time, net position can serve as a useful indicator of a government's financial position. At the end of the current fiscal year, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by approximately \$60.0 million.

Capital assets reported on the government-wide statements represent the largest portion of the City's assets. At year-end, capital assets represented approximately 74 percent of total assets. Capital assets include land, intangibles, land improvements, buildings and improvements, machinery, equipment and furniture, vehicles and infrastructure. Net investment in capital assets at December 31, 2016, was approximately \$59.2 million. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

The table below provides a comparative summary of the City's net position at December 31, 2016 and December 31, 2015:

	<u>Net Position</u>	
	2016 <u>Governmental Activities</u>	2015 <u>Governmental Activities</u>
<u>Assets</u>		
Current and other assets	\$ 24,502,392	\$ 20,581,217
Capital assets, net	71,019,851	54,623,438
Total assets	<u>\$ 95,522,243</u>	<u>\$ 75,204,655</u>
 <u>Deferred Outflows of Resources</u>		
Total deferred outflows of resources	<u>3,724,891</u>	<u>1,397,505</u>
 <u>Liabilities</u>		
Current and other liabilities	4,654,089	5,089,271
Long-term liabilities:		
Net pension liability	12,991,179	9,870,972
Other amounts	16,333,705	8,805,182
Total liabilities	<u>33,978,973</u>	<u>23,765,425</u>
 <u>Deferred Inflows of Resources</u>		
Total deferred inflows of resources	<u>5,285,733</u>	<u>3,614,724</u>
 <u>Net Position</u>		
Net investment in capital assets	\$ 59,226,779	\$ 45,824,665
Restricted	888,184	1,184,261
Unrestricted	(132,535)	2,213,085
Total net position	<u>\$ 59,982,428</u>	<u>\$ 49,222,011</u>

Current and other assets increased significantly in comparison with the prior year. This increase is primarily the result of an increase in cash resulting from unspent bond proceeds.

Capital assets also increased significantly in comparison with the prior year. This increase represents the amount in which capital asset additions, consisting mostly of development of the Grandview Yard, exceeded current year depreciation.

Deferred outflows of resources and the Net pension liability both increased significantly. These increases are primarily the result of lower than expected pension investment returns, as reported by the pension systems.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(UNAUDITED)

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Other long-term liabilities also increased significantly in comparison with the prior year. This increase is primarily the result of the issuance of various purpose improvement bonds.

Deferred inflows of resources also increased significantly. This increase is primarily the result of an increase in payments in lieu of taxes related to the Grandview Yard.

Net investment in capital assets increased significantly in comparison with the prior year. This increase is primarily the result of an increase in capital assets related to Grandview Yard. \$888,184 of the City's net position, represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

**Statement of Activities**

The table below provides a comparative analysis of changes in net position for 2016 and 2015:

<u>Revenues</u>	<u>Change in Net Position</u>	
	<u>2016</u>	<u>2015</u>
Program revenues:		
Charges for services	\$ 2,094,370	\$ 2,404,496
Operating grants and contributions	2,772,332	2,716,723
Capital grants and contributions	9,548,864	17,078,593
Total program revenues	<u>14,415,566</u>	<u>22,199,812</u>
General revenues:		
Property and other taxes	2,676,704	2,555,709
Payments in lieu of taxes	1,549,253	1,376,394
Income taxes	10,101,743	8,547,388
Unrestricted grants and entitlements	1,230,747	1,124,193
Investment earnings	144,369	71,723
Insurance Recoveries	18,972	-
Miscellaneous	192,325	236,957
Total general revenues	<u>15,914,113</u>	<u>13,912,364</u>
Total revenues	<u>30,329,679</u>	<u>36,112,176</u>
<u>Expenses</u>		
General government	3,590,566	3,488,396
Security of persons and property	6,196,665	5,294,942
Public health and welfare	56,243	50,481
Transportation	1,616,389	1,762,866
Leisure time activities	1,500,914	1,368,524
Utility services	805,335	691,137
Economic development	5,467,462	5,088,365
Interest and fiscal charges	186,192	93,178
Bond issuance costs	149,496	-
Total expenses	<u>19,569,262</u>	<u>17,837,889</u>
Change in net position	10,760,417	18,274,287
Net position at beginning of year	49,222,011	30,947,724
Net position at end of year	<u>\$ 59,982,428</u>	<u>\$ 49,222,011</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
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Capital grants and contributions decreased significantly in comparison with the prior fiscal year. This decrease is the result of a decrease in contributions made to the City by the developer of the Grandview Yard.

Income taxes increased significantly compared to the prior year. This increase is the result of continued development of the Grandview Yard.

Security of persons and property also increased significantly in comparison with the prior fiscal year. This increase is primarily the result of an increase in pension expense, as reported by the pension system.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services for 2016 and 2015. That is, it identifies the cost of these services supported by tax revenue and unrestricted State grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

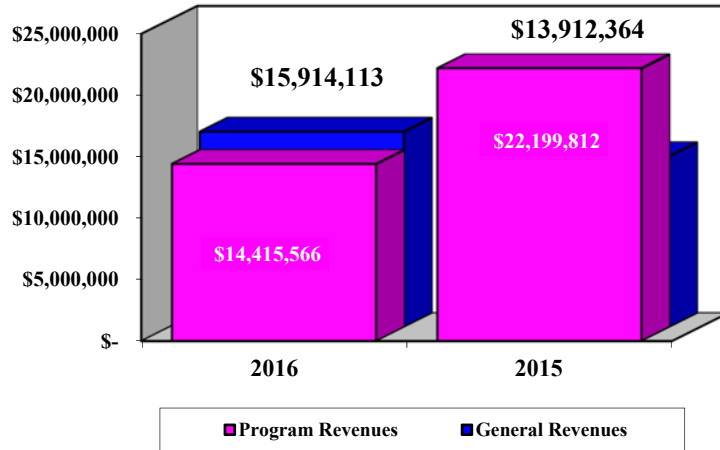
Program expenses	Total Cost of Services 2016	Net Cost of Services 2016	Total Cost of Services 2015	Net Cost of Services 2015
General government	\$ 3,590,566	\$ 2,893,730	\$ 3,488,396	\$ 2,319,813
Security of persons and property	6,196,665	5,665,143	5,294,942	4,731,043
Public health and welfare	56,243	(111,031)	50,481	(143,193)
Transportation	1,616,389	(8,294,099)	1,762,866	(14,006,530)
Leisure time activity	1,500,914	1,215,338	1,368,524	1,077,754
Utility services	805,335	409,317	691,137	495,000
Economic development	5,467,462	3,039,610	5,088,365	1,071,012
Interest and fiscal charges	186,192	186,192	93,178	93,178
Bond issuance costs	149,496	149,496	-	-
Total program expenses	\$ 19,569,262	\$ 5,153,696	\$ 17,837,889	\$ (4,361,923)

The total cost of services for public health and welfare and transportation were covered by program revenues. However, the program revenues related to security of persons and property only covered 8.6 percent of the total costs. The expenses for security of persons and property account for 31.7 percent of total expense in 2016.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
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**Governmental Activities - General and Program Revenues**



General revenues accounted for approximately \$15.9 million, or 52.5 percent of total governmental activities revenue. Program specific revenues accounted for the remaining 47.5 percent, or approximately \$14.4 million.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

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**Financial Analysis of the Government's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at year-end.

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$13.7 million, a \$4.5 million increase in comparison with the prior year. Of this amount, approximately \$10.4 million is available for spending at the City's discretion (unassigned fund balance).

The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2016 and December 31, 2015 for all major and nonmajor governmental funds.

	Fund Balance 12/31/2016	Fund Balance 12/31/2015	Increase (Decrease)
General	\$ 8,986,378	\$ 9,356,127	\$ (369,749)
Street Maintenance and Repair	3,843,553	(653,985)	4,497,538
Grandview Yard TIF	16,735	11,421	5,314
Parks and Recreation Improvement	(1,017,489)	407,796	(1,425,285)
Other Governmental	1,886,281	132,486	1,753,795
Total	<u>\$ 13,715,458</u>	<u>\$ 9,253,845</u>	<u>\$ 4,461,613</u>

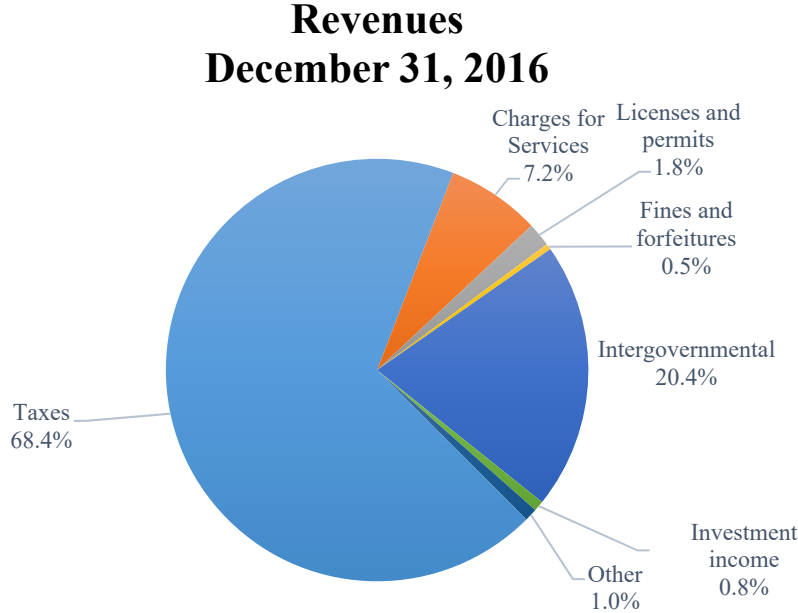
The General Fund is the chief operating fund of the City. At the close of the current fiscal year, unassigned fund balance for the general fund was approximately \$8.2 million, or 57.1 percent of general fund expenditures.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
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The table that follows assists in illustrating the revenues of the general fund:

<u>Revenues</u>	<u>2016</u> Amount	<u>2015</u> Amount
Taxes	\$ 12,204,892	\$ 10,555,339
Charges for services	1,281,139	1,184,959
Licenses and permits	323,628	749,548
Fines and forfeitures	80,375	76,028
Intergovernmental	3,648,128	3,247,098
Investment income	140,855	74,812
Contributions and donations	480	2,570
Other	172,766	185,858
Total revenues - general fund	<u>\$ 17,852,263</u>	<u>\$ 16,076,212</u>

Tax revenue represents 68.4 percent of all general fund revenue. Taxes increased significantly due to an increase in income taxes received during the year. All other revenues remained relatively consistent with the prior year.

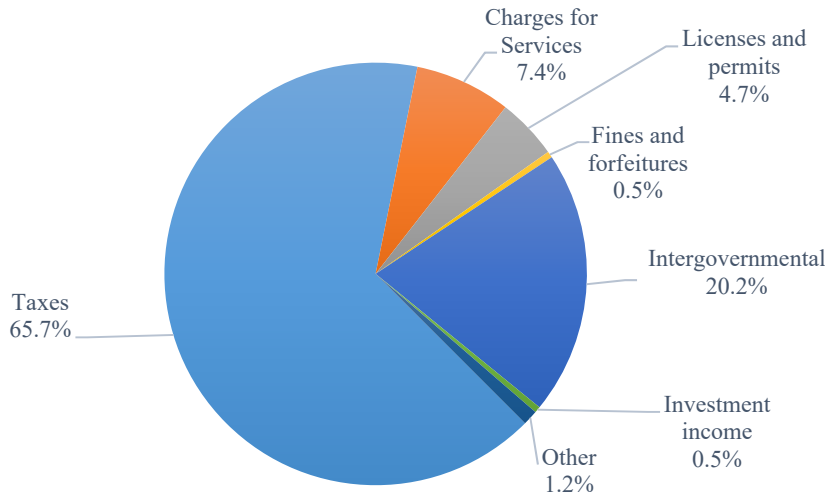




**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

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**Revenues**  
**December 31, 2015**

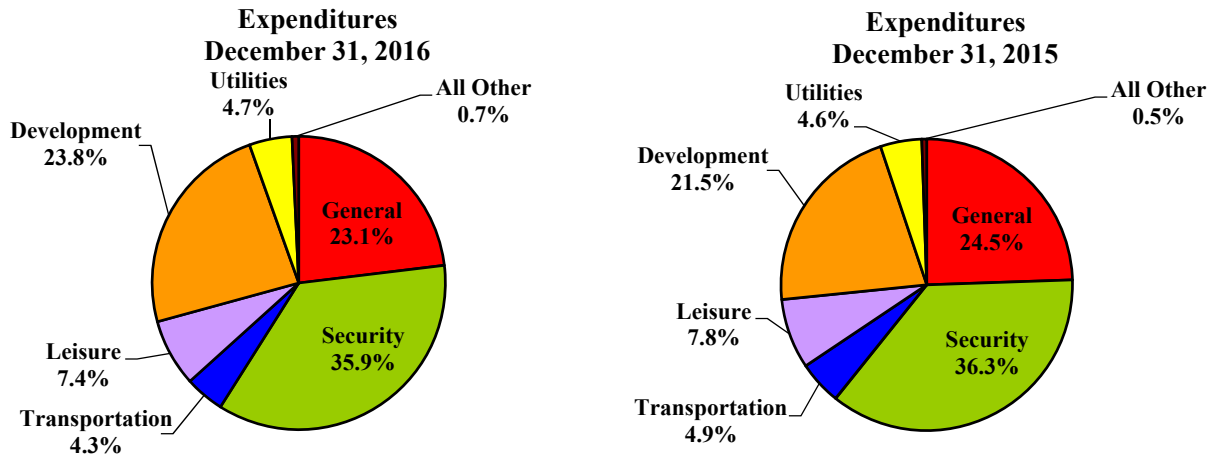


The table that follows assists in illustrating the expenditures of the general fund:

<u>Expenditures</u>	<u>2016</u> <u>Amount</u>	<u>2015</u> <u>Amount</u>
General government	\$ 3,309,205	\$ 3,267,251
Security of persons and property	5,146,048	4,843,853
Public health and welfare	56,243	48,991
Transportation	622,126	648,181
Leisure time activities	1,066,356	1,036,786
Economic development	3,411,539	2,868,491
Utility services	675,491	613,213
Capital outlay	50,601	23,525
Total expenditures - general fund	<u>\$ 14,337,609</u>	<u>\$ 13,350,291</u>

General government and security of persons and property expenditures account for approximately \$8.5 million, or 59.0 percent, of total expenditures.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
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The Street Maintenance and Repair Fund accounts for intergovernmental receipts and disbursements relating to maintenance and repair of the City's infrastructure. At year-end, fund balance in the Street Maintenance and Repair Fund was approximately \$3.8 million, an increase of approximately \$4.5 million. This increase primarily represents the amount in which bond proceeds and transfers in exceeded capital outlays.

The Grandview Yard TIF Fund was established in 2012 to account for all receipts and disbursements of assigned service and income tax payments in accordance with the Grandview Yard Development Agreement. At year-end, fund balance in the Grandview Yard TIF Fund was \$16,735, an increase of \$5,314. This increase represents the amount in which income taxes and payments in lieu of taxes exceeded economic development expenditures.

The Parks and Recreation Improvement Fund accounts for monies received for improvements to parks and recreational facilities. At year-end, fund balance in the Parks and Recreation Improvement Fund was approximately negative \$1.0 million, a decrease of approximately \$1.4 million in comparison with the prior year end. This decrease represents the amount in which construction-related and debt service expenditures exceeded property taxes and related receipts and transfer in from the general fund.

The fund balance of the City's Other Governmental Funds increased approximately \$1.8 million during the year. This increase is primarily the result of grant and loan proceeds and transfers in from the general fund.

**Budgeting Highlights - General Fund**

The City's budgeting process is prescribed by the Ohio Revised Code (ORC). Essentially the budget is the City's appropriations, which are restricted by the amounts of anticipated revenues certified by the Budget Commission in accordance with the ORC. Therefore, the City's plans or desires cannot be totally reflected in the original budget. If budgeted revenues are adjusted due to actual activity, then the appropriations can be adjusted accordingly.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

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The most significant fund which budgetary information is presented for is the general fund. The original budgetary revenues and other financing sources of \$13,119,676 were \$213,750 more than the final budgeted revenues of \$12,905,926. Actual revenues and other financing sources of \$14,422,092 were \$1,516,166 more than final budgeted revenues and other financing sources. Actual expenditures and other financing uses of \$19,438,777 came in \$865,083 lower than the final budgeted amounts of \$20,303,860. The total variance is fairly evenly divided between budget categories and reflects the effects of the administration's expense control measures. The final budgeted expenditures and other financing uses increased \$6.5 million from the original budgeted expenditures and other financing uses during the year.

**Capital Assets**

At the end of 2016, the City had approximately \$71.0 million (net of accumulated depreciation) invested in land, intangibles, land improvements, buildings and improvements, machinery, equipment and furniture, vehicles, and infrastructure, an increase of approximately \$16.4 million in comparison with the prior year. This increase represents the amount in which capital outlays and contributions, totaling approximately \$17.7 million, exceeded net disposals of \$97,895 and depreciation expense of \$1.2 million. The following table shows December 31, 2016 balances compared to December 31, 2015:

**Capital Assets (Net of Depreciation) at December 31**

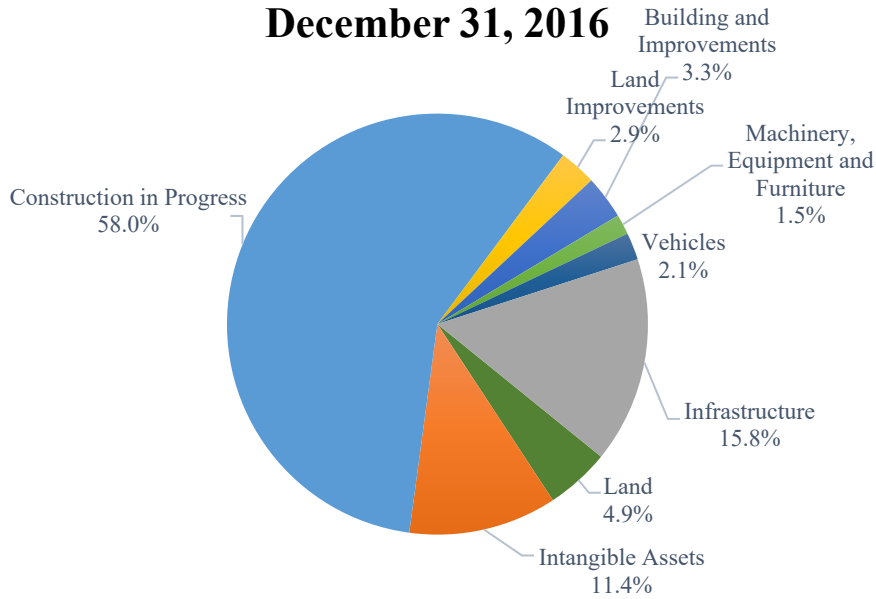
	Governmental Activities	
	2016	2015
Land	\$ 3,504,684	\$ 2,537,052
Intangible Assets	8,081,023	8,081,023
Construction in Progress	41,213,554	25,628,198
Land improvements	2,027,525	2,133,801
Buildings and improvements	2,373,667	2,482,303
Machinery, equipment and furniture	1,100,050	809,193
Vehicles	1,481,728	1,256,040
Infrastructure	11,237,620	11,695,828
Total capital assets - governmental	\$ 71,019,851	\$ 54,623,438

The following graphs show the breakdown of governmental capital assets, net of accumulated depreciation, by category at December 31, 2016 and December 31, 2015. See Note 12 in the notes to the financial statements for more detail on the City's capital assets.

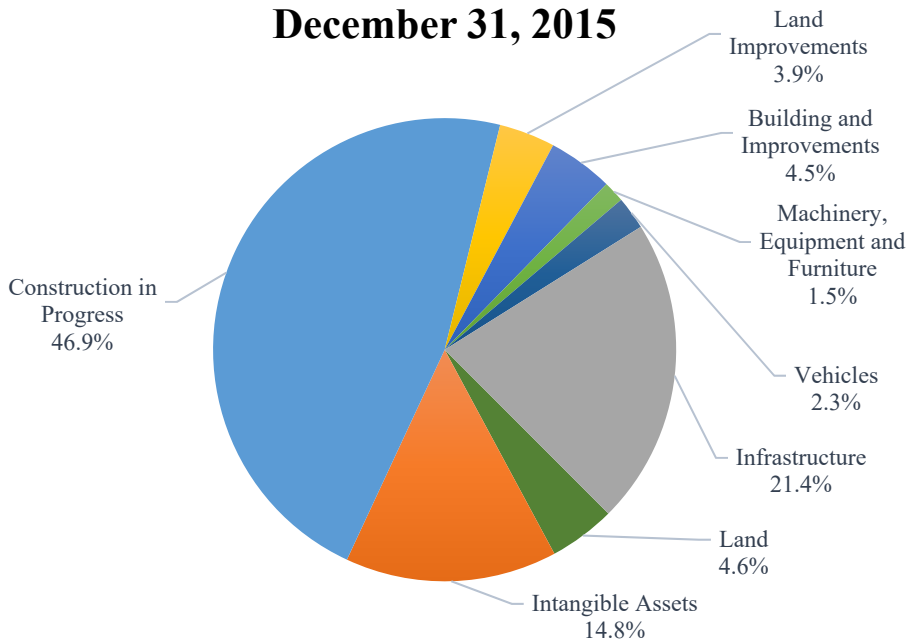
**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

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**Capital Assets**  
**December 31, 2016**



**Capital Assets**  
**December 31, 2015**



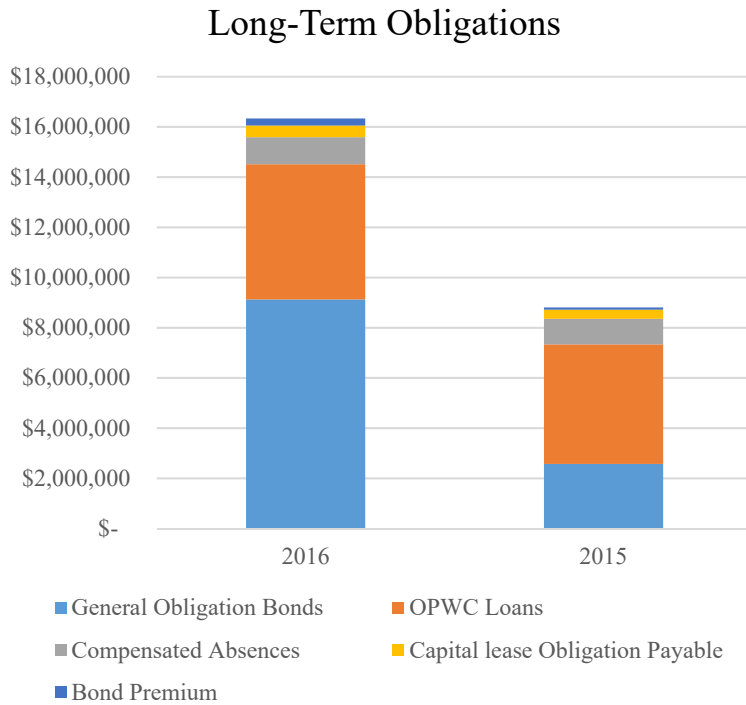
**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(UNAUDITED)**

**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2016 and December 31, 2015.

	2016	2015
OPWC loans	\$ 5,384,756	\$ 4,760,426
General obligation bonds	9,125,000	2,575,000
Bond premium	281,694	90,349
Capital lease obligation payable	460,929	361,358
Compensated absences	1,081,326	1,018,049
Total long-term obligations	\$ 16,333,705	\$ 8,805,182

A comparison of the long-term obligations at December 31, 2016 versus December 31, 2015 by category is depicted in the chart below. See Note 14 in the notes to the financial statements for more detail on the City's long-term obligations.



**Economic Conditions and Outlook**

The City's primary revenue source is a local income tax on residents and on Grandview-based businesses and their employees working in the City. In May 2010, taxpayers approved a permanent increase in the income tax rate to 2.5% effective July 1, 2010. This rate change in conjunction with ongoing economic development effort is a strong step forward for the City.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2016  
(UNAUDITED)

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As reported over the last few years, the city has focused its economic development efforts on the 100-acre redevelopment called GRANDVIEW YARD. A development agreement with the developer, Nationwide Realty Investors (NRI), was approved at the end of 2009. The agreement established a tax increment financing district and put in place other economic development incentives. At the time, NRI agreed to construct what was then planned to be two (2) million sq. ft. of retail, office and entertainment space. At the time, the development was also planned to contain 800 residential units. City Officials welcomed the project as the development as planned was very consistent with the City's planning efforts that expressed a preference for higher density mixed use development in a neighborhood setting.

Over the first half of 2014 the city of Grandview Heights and NRI renegotiated a new development agreement. In 2014 Nationwide Insurance Company announced that it was consolidating a number of offices and would bring approximately 3,000 associates to a new campus to be constructed in Grandview Yard. The campus as planned will have 550,000 sq. ft. of offices within three (3) new buildings. To incentivize the prospect, the city pledged both the use of TIF Funds and a projected amount of income tax revenue generated by the project toward paying off the Urban Renewal Bond. This bond was taken out to fund the public improvements for the project. The number of potential residential units was also increased from 800 units to 1,450 units.

Prior to approving the new agreement, the city retained TishlerBise Consultants to prepare a detailed fiscal impact analysis of the new plan. The consultants compared the city's projected service and capital impact with the projected property and income tax revenue stream. The study concluded that the project is more than fiscally sustainable and will provide the city with a revenue stream that may be used to maintain and improve the entire city.

As of the end of 2016, construction was complete on 500,000 square feet of office space for the Nationwide Insurance campus, 194,000 square feet of first class office for lease, 440 residential units, 261 hotel rooms, 10,000 square foot event center, four parking garages with a total of 3,500 parking spots and a 16,000 square foot Hofbrauhaus restaurant. Under construction was a mixed use apartment/retail building, an additional parking garage, single family homes and condominiums. Tenants of Grandview Yard include Nationwide Insurance, Ernst & Young CPAs, Northwestern Mutual, OSU Internal Medicine & Pediatrics, and Willis of Ohio.

Beyond Grandview Yard, the city had other economic development activity along Goodale Boulevard. Incentive agreements were entered with four different businesses during 2016. Two were retention agreements that include expansion of current operations.

Businesses tout the access to highway systems (Interstate 670 and State Route 315) along with the proximity to downtown Columbus and The Ohio State University as draws to city. Not only are businesses drawn to the city, property values continue to increase year over year creating a lucrative housing market in the city. The city's historic downtown remains vibrant and attracting new restaurants.

### **Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information please contact Mr. Robert Dvoraczky, Director of Finance, City of Grandview Heights, 1016 Grandview Avenue, Grandview Heights, Ohio 43212.



*The CITY of*  
**GRANDVIEW HEIGHTS**

**BASIC FINANCIAL STATEMENTS**

**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

STATEMENT OF NET POSITION  
AS OF DECEMBER 31, 2016

	Governmental Activities
<b>Assets</b>	
Equity in pooled cash and investments	\$ 15,670,857
Receivables (net of allowances for uncollectibles):	
Income taxes	2,242,669
Property and other taxes	2,410,593
Payments in lieu of taxes	3,012,254
Accounts	100,892
Accrued interest	18,776
Intergovernmental	811,131
Prepayments	205,797
Materials and supplies inventory	27,160
Net Pension Asset	2,263
Capital assets	
Non-depreciable	52,799,261
Depreciable	18,220,590
Total assets	95,522,243
<b>Deferred Outflows of Resources:</b>	
Pension	3,724,891
Total deferred outflows of resources	3,724,891
<b>Liabilities</b>	
Accounts payable	3,708,985
Accrued wages and benefits	235,999
Due to other governments	36,812
Pension obligation payable	116,580
Retainage payable	528,816
Accrued interest payable	26,897
Long-term liabilities	
Due within one year	953,824
Due in more than one year	
Other amounts due in more than one year	15,379,881
Net pension liability	12,991,179
Total liabilities	33,978,973
<b>Deferred Inflows of Resources:</b>	
Property and other local taxes	2,180,462
Payments in lieu of taxes	3,012,254
Pension	93,017
Total deferred inflows of resources	5,285,733
<b>Net Position</b>	
Net investment in capital assets	59,226,779
Restricted for:	
Capital projects	541,468
Debt service	23,761
Street construction, maintenance and repairs	140,594
Fire/EMS	12,288
Parks and recreation	101,429
Court computer	23,141
Law enforcement	33,100
Other purposes	12,403
Unrestricted	(132,535)
Total net position	\$ 59,982,428

See accompanying notes to the basic financial statements.



**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Governmental activities:</b>					
General government	\$ 3,590,566	\$ 685,889	\$ 10,947	\$ -	\$ (2,893,730)
Security of persons and property	6,196,665	511,366	20,156	-	(5,665,143)
Public health and welfare	56,243	167,274	-	-	111,031
Transportation	1,616,389	55,758	305,866	9,548,864	8,294,099
Leisure time activities	1,500,914	274,837	10,739	-	(1,215,338)
Utility services	805,335	396,018	-	-	(409,317)
Economic development	5,467,462	3,228	2,424,624	-	(3,039,610)
Interest and fiscal charges	186,192	-	-	-	(186,192)
Bond issuance costs	149,496	-	-	-	(149,496)
<b>Total governmental activities</b>	<b>\$ 19,569,262</b>	<b>\$ 2,094,370</b>	<b>\$ 2,772,332</b>	<b>\$ 9,548,864</b>	<b>(5,153,696)</b>
<b>General Revenues:</b>					
<b>Property taxes levied for:</b>					
					2,216,658
					144,954
					60,397
					254,695
					1,549,253
<b>Income taxes for:</b>					
					9,596,666
					505,077
					1,230,747
					144,369
					18,972
					192,325
<b>Total general revenues</b>					<b>15,914,113</b>
<b>Change in net position</b>					<b>10,760,417</b>
<b>Net position at beginning of year</b>					<b>49,222,011</b>
<b>Net position at end of year</b>					<b>\$ 59,982,428</b>

See accompanying notes to the basic financial statements.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**FRANKLIN COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**AS OF DECEMBER 31, 2016**

	General Fund	Street Maintenance and Repair Fund	Grandview Yard TIF Fund	Parks and Recreation Improvement Fund
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 4,826,948	\$ 5,523,488	\$ 16,735	\$ 3,252,136
Receivables (net of allowances):				
Income taxes	2,130,536	-	-	-
Property and other taxes	2,176,966	-	-	77,911
Payments in lieu of taxes	-	-	3,012,254	-
Accounts	55,831	-	-	-
Accrued interest	18,776	-	-	-
Intergovernmental	261,109	108,441	-	3,600
Interfund loans	3,543,478	-	-	-
Prepayments	205,797	-	-	-
Materials and supplies inventory	-	27,160	-	-
Total assets	<u>\$ 13,219,441</u>	<u>\$ 5,659,089</u>	<u>\$ 3,028,989</u>	<u>\$ 3,333,647</u>
<b>Liabilities:</b>				
Accounts payable	\$ 1,164,286	\$ 1,504,748	\$ -	\$ 578,971
Accrued wages and benefits	235,999	-	-	-
Due to other governments	26,703	-	-	-
Interfund loans payable	-	-	-	3,543,478
Pension obligation payable	116,580	-	-	-
Retainage payable	-	242,573	-	167,083
Total liabilities	<u>1,543,568</u>	<u>1,747,321</u>	<u>-</u>	<u>4,289,532</u>
<b>Deferred Inflows of Resources:</b>				
Property and other local taxes	1,988,851	-	-	56,357
Payments in lieu of taxes	-	-	3,012,254	-
Unavailable revenue	700,644	68,215	-	5,247
Total deferred inflows of resources	<u>2,689,495</u>	<u>68,215</u>	<u>3,012,254</u>	<u>61,604</u>
<b>Fund Balances:</b>				
Nonspendable:				
Inventory	-	27,160	-	-
Prepays	205,797	-	-	-
Unclaimed funds	514	-	-	-
Restricted:				
Debt Service	-	-	16,735	-
Street construction, maintenance and repairs	-	3,816,393	-	-
Fire/EMS	-	-	-	-
Parks and recreation	-	-	-	-
Court computer	-	-	-	-
Law enforcement	-	-	-	-
Other purposes	-	-	-	-
Committed:				
Capital projects	-	-	-	-
Accrued leave payments	88,368	-	-	-
Assigned:				
Community events	822	-	-	-
General government	243,062	-	-	-
Security of Persons and Property	14,796	-	-	-
Transportation	199,433	-	-	-
Leisure Time Activities	18,437	-	-	-
Utility Services	4,565	-	-	-
Capital Outlay	23,378	-	-	-
Unassigned	8,187,206	-	-	(1,017,489)
Total fund balances	<u>8,986,378</u>	<u>3,843,553</u>	<u>16,735</u>	<u>(1,017,489)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,219,441</u>	<u>\$ 5,659,089</u>	<u>\$ 3,028,989</u>	<u>\$ 3,333,647</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 2,051,550	\$ 15,670,857
112,133	2,242,669
155,716	2,410,593
-	3,012,254
45,061	100,892
-	18,776
437,981	811,131
-	3,543,478
-	205,797
-	27,160
<u>\$ 2,802,441</u>	<u>\$ 28,043,607</u>
\$ 460,980	\$ 3,708,985
-	235,999
10,109	36,812
-	3,543,478
-	116,580
119,160	528,816
<u>590,249</u>	<u>8,170,670</u>
135,254	2,180,462
-	3,012,254
190,657	964,763
<u>325,911</u>	<u>6,157,479</u>
-	27,160
-	205,797
-	514
7,026	23,761
135,077	3,951,470
6,012	6,012
70,174	70,174
23,141	23,141
26,824	26,824
43,658	43,658
1,838,582	1,838,582
-	88,368
-	822
-	243,062
-	14,796
-	199,433
-	18,437
-	4,565
-	23,378
(264,213)	6,905,504
<u>1,886,281</u>	<u>13,715,458</u>
<u>\$ 2,802,441</u>	<u>\$ 28,043,607</u>

See accompanying notes to the basic financial statements.



*The CITY of*  
GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2016

<b>Total Governmental Fund Balances</b>	<b>\$ 13,715,458</b>
<i>Amounts reported for governmental activities in the statement of net position are different due to the following :</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	71,019,851
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.	
Income taxes receivable	420,345
Property taxes receivable	63,717
Intergovernmental receivable	443,239
Accounts receivable - ambulance	28,920
Accounts receivable	2,976
Interest receivable	5,566
In the statement of activities interest is accrued on outstanding loans payable, whereas in governmental funds, interest expenditures are reported when due.	(26,897)
The net pension liability is not due and payable in the current period; therefore, the liability and related deferred inflows/outflows are not reported in governmental funds:	
Deferred outflows - pension	3,724,891
Deferred inflows - pension	(93,017)
Net pension asset	2,263
Net pension liability	(12,991,179)
Long-Term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences payable	(1,081,326)
General obligation debt	(14,791,450)
Capital leases payable	(460,929)
<b>Net Position of Governmental Activities</b>	<b><u><u>\$ 59,982,428</u></u></b>

See accompanying notes to the basic financial statements.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**FRANKLIN COUNTY**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Street Maintenance and Repair Fund	Grandview Yard TIF Fund	Parks and Recreation Improvement Fund
<b>Revenues:</b>				
Municipal income taxes	\$ 9,983,620	\$ -	\$ 469,160	\$ -
Property and other taxes	2,221,272	-	-	230,326
Payments in lieu of taxes	-	-	1,549,253	-
Charges for services	1,281,139	-	-	-
Licenses and permits	323,628	-	-	-
Fines and forfeitures	80,375	-	-	-
Intergovernmental	3,648,128	267,970	-	7,222
Investment income	140,855	17,824	-	-
Contributions and donations	480	-	-	-
Other	172,766	-	-	-
Total revenues	<u>17,852,263</u>	<u>285,794</u>	<u>2,018,413</u>	<u>237,548</u>
<b>Expenditures:</b>				
Current:				
General government	3,309,205	-	-	-
Security of persons and property	5,146,048	-	-	-
Public health and welfare	56,243	-	-	-
Transportation	622,126	328,499	-	-
Leisure time activities	1,066,356	-	-	292,281
Utility services	675,491	-	-	-
Economic development	3,411,539	-	2,010,889	-
Capital outlay	50,601	3,801,257	2,210	2,202,777
Debt service:				
Principal retirement	-	58,500	-	80,000
Interest and fiscal charges	-	15,117	-	75,275
Bond issuance costs	-	149,496	-	-
Total expenditures	<u>14,337,609</u>	<u>4,352,869</u>	<u>2,013,099</u>	<u>2,650,333</u>
Excess (deficiency) of revenues over (under) expenditures	3,514,654	(4,067,075)	5,314	(2,412,785)
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	4,950	-	-	-
Issuance of loan	-	-	-	-
Insurance recoveries	18,972	-	-	-
Proceeds from inception of capital lease	-	-	-	-
Issuance of bond	-	6,630,000	-	-
Premium on bond issuance	-	149,496	-	-
Transfers in	-	1,785,117	-	987,500
Transfers out	(3,908,325)	-	-	-
Total other financing sources (uses)	<u>(3,884,403)</u>	<u>8,564,613</u>	<u>-</u>	<u>987,500</u>
Net change in fund balances	(369,749)	4,497,538	5,314	(1,425,285)
Fund balance at beginning of year	9,356,127	(653,985)	11,421	407,796
Fund balance at end of year	<u>\$ 8,986,378</u>	<u>\$ 3,843,553</u>	<u>\$ 16,735</u>	<u>\$ (1,017,489)</u>

See accompanying notes to the basic financial statements.

Other Governmental Funds	Total Governmental Funds
\$ 550,146	\$ 11,002,926
230,170	2,681,768
-	1,549,253
383,869	1,665,008
-	323,628
8,039	88,414
3,511,572	7,434,892
436	159,115
9,457	9,937
10,558	183,324
<u>4,704,247</u>	<u>25,098,265</u>
138,097	3,447,302
161,798	5,307,846
-	56,243
44,780	995,405
7,813	1,366,450
31,274	706,765
-	5,422,428
4,451,361	10,508,206
227,361	365,861
87,287	177,679
-	149,496
<u>5,149,771</u>	<u>28,503,681</u>
(445,524)	(3,405,416)
8,235	13,185
775,744	775,744
-	18,972
234,018	234,018
-	6,630,000
45,614	195,110
1,135,708	3,908,325
-	(3,908,325)
<u>2,199,319</u>	<u>7,867,029</u>
1,753,795	4,461,613
132,486	9,253,845
<u>\$ 1,886,281</u>	<u>\$ 13,715,458</u>

See accompanying notes to the basic financial statements.

**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2016

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 4,461,613</b>										
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>											
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.											
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Capital outlays</td> <td style="width: 20%; text-align: right;">10,768,625</td> </tr> <tr> <td style="text-align: right;">Depreciation expense</td> <td style="text-align: right;">(1,187,994)</td> </tr> </table>	Capital outlays	10,768,625	Depreciation expense	(1,187,994)						
Capital outlays	10,768,625										
Depreciation expense	(1,187,994)										
The effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, donations and disposals) is to increase net position.											
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Loss on disposal</td> <td style="width: 20%; text-align: right;">(94,895)</td> </tr> <tr> <td style="text-align: right;">Contributions and donations</td> <td style="text-align: right;">6,910,677</td> </tr> </table>	Loss on disposal	(94,895)	Contributions and donations	6,910,677						
Loss on disposal	(94,895)										
Contributions and donations	6,910,677										
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.											
	(1,711,420)										
Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.											
	1,008,278										
Except for amounts reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.											
	(1,853,666)										
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.											
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Repayment of debt</td> <td style="width: 20%; text-align: right;">365,861</td> </tr> <tr> <td style="text-align: right;">Issuance of loan</td> <td style="text-align: right;">(775,744)</td> </tr> <tr> <td style="text-align: right;">Inception of capital lease</td> <td style="text-align: right;">(234,018)</td> </tr> <tr> <td style="text-align: right;">Issuance of bond</td> <td style="text-align: right;">(6,630,000)</td> </tr> <tr> <td style="text-align: right;">Bond premium</td> <td style="text-align: right;">(195,110)</td> </tr> </table>	Repayment of debt	365,861	Issuance of loan	(775,744)	Inception of capital lease	(234,018)	Issuance of bond	(6,630,000)	Bond premium	(195,110)
Repayment of debt	365,861										
Issuance of loan	(775,744)										
Inception of capital lease	(234,018)										
Issuance of bond	(6,630,000)										
Bond premium	(195,110)										
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.											
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Amortization of premium on bonds</td> <td style="width: 20%; text-align: right;">3,765</td> </tr> </table>	Amortization of premium on bonds	3,765								
Amortization of premium on bonds	3,765										
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.											
	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; text-align: right;">Compensated absences</td> <td style="width: 20%; text-align: right;">(63,277)</td> </tr> <tr> <td style="text-align: right;">Accrued interest</td> <td style="text-align: right;">(12,278)</td> </tr> </table>	Compensated absences	(63,277)	Accrued interest	(12,278)						
Compensated absences	(63,277)										
Accrued interest	(12,278)										
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 10,760,417</b>										

See accompanying notes to the basic financial statements.



**CITY OF GRANDVIEW HEIGHTS, OHIO  
FRANKLIN COUNTY**

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
AS OF DECEMBER 31, 2016

	Agency Funds
<b>Assets</b>	
Cash in segregated accounts	\$ 132,827
Income taxes receivable	755,025
Total assets	<u>\$ 887,852</u>
<b>Liabilities</b>	
Due to others	\$ 887,852
Total liabilities	<u>\$ 887,852</u>

See accompanying notes to the basic financial statements.



*The CITY of*  
GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 1 – REPORTING ENTITY**

The City of Grandview Heights, Franklin County, Ohio, (the “City”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The City is a home rule municipal corporation established under the laws of the State of Ohio that operates under its own Charter. The current Charter, which provides for a mayor-council-administrator form of government, was adopted by the electorate March 7, 2000 and became effective July 1, 2000. It replaced the original Charter, which was adopted by the electorate July 28, 1931 and became effective January 1, 1932. The City provides the following services to its residents: public safety, public service, parks and recreation, and building and zoning. The City is also responsible for the construction, maintenance and repairs associated with the water and sewer lines, while the City of Columbus provides water and sewer treatment services. City Council and the Mayor have direct responsibility for these activities.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the City’s accounting policies are described below.

**(a) Reporting Entity**

For financial reporting purposes, the City’s basic financial statements include all funds, agencies, boards, commissions, and departments for which the City is financially accountable. Financial accountability, as defined by the GASB, exists if the City appoints a voting majority of an organization’s Governing Board and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific burdens on, the City. The City may also be financially accountable for governmental organizations with a separately elected Governing Board, a Governing Board appointed by another government, or a jointly appointed board that is fiscally dependent on the City. The City also took into consideration other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City’s basic financial statements to be misleading or incomplete. Based on these criteria, the City has no component units.

The City provides various services including police and fire protection, emergency medical, recreation (including parks), planning, zoning, street maintenance and repair, trash removal, and general administrative services. The operation of each of these activities is directly controlled by the Council through the budgetary process. None of these services are provided by a legally separate organization; therefore, these operations are included in the primary government. Additionally, the Grandview Heights Mayor's Court and the Clinton-Grandview Heights Joint Economic Development Zone (JEDZ) have been included in the City's financial statements as agency funds. The Mayor is an elected City official who has a fiduciary responsibility for the collection and distribution of court fees and fines, and the City Finance Director is the fiscal agent for the Clinton-Grandview Heights JEDZ.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Based on the foregoing criteria, the financial activities of the following organizations have been reflected in the accompanying financial statements as follows:

*JOINTLY GOVERNED ORGANIZATIONS*

*Franklin County General Health District:* The Franklin County General Health District (the “District”) provides health services to citizens within the County, including the City. The Board of Health, with representatives from throughout the County, oversees the operation of the District. The City contributed \$51,437 during 2016 for the operation of the District. The City does not have any financial interest in or responsibility for the District. The County Commissioners serve as the taxing authority and the County Auditor and Treasurer serve as fiscal officers.

*Mid-Ohio Regional Planning Commission:* The Mid-Ohio Regional Planning Commission (MORPC) provides innovative solutions to 48 local governments. The City contributed \$3,567 to MORPC during 2016. The City does not have any financial interest in or responsibility for the Commission. The Board of MORPC is made up of representatives from its participating governments. The City had a council member serve on the Board in 2016.

*Clinton-Grandview Heights Joint Economic Development Zone:* The City and Clinton Township (Township) entered into a Contract to establish the Clinton- Grandview Heights Joint Economic Development Zone (JEDZ) to facilitate new and expanded growth for commercial and economic development in the State. The agreement became effective March 17, 2014, and will terminate on December 31, 2043, with an automatic renewal to terminate simultaneously with the JEDZ Contract if the JEDZ Contract is renewed by the Township and the City. The JEDZ is administered by a six-member Board consisting of three members appointed by the City and three members appointed by the Township for a term of two years. The JEDZ may sue and be sued, and has the power to enter into contracts for the provision of services within the JEDZ. The Board is allocated 2 percent of the net revenues for services and obligations each calendar year. The Board has entered into an Income Tax Agreement with the City to administer and collect the income tax on behalf of the JEDZ (see Note 9 for detail). Upon the termination or nonrenewal of this Contract, the JEDZ Board shall continue to exist for the sole purpose of winding up the business affairs of the JEDZ, collecting outstanding JEDZ income tax, and liquidating any property and assets of the JEDZ. Upon dissolution, funds and assets remaining will be divided 80 percent to the City and 20 percent to the Township.

**(b) Basis of Presentation - Fund Accounting**

The City’s basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

***Government-wide Financial Statements*** - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The statement of net position presents the financial condition of the governmental activities of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or drawn from the general revenues of the City.

**Fund Financial Statements** - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

**(c) Fund Accounting**

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The City has two categories of funds: governmental and fiduciary.

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following is the City's major governmental funds:

*General Fund* - This fund accounts for all financial resources except those required to be accounted for in another fund.

*Street Construction, Maintenance and Repair Fund*

This fund accounts for the portion of State gasoline tax and motor vehicle registration fees designated for the maintenance of the streets within the City.

*Grandview Yard Tax Increment Equivalent (TIF) Fund* - This fund accounts for all receipts and disbursements of assigned service and payments in lieu of taxes in accordance with the Grandview Yard Development Agreement.

*Parks and Recreation Improvement Fund*

This fund accounts for monies received for improvements to parks and recreational facilities.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Other governmental funds of the City are used to account for (a) the accumulation of resources for, and payment of, general long-term debt principal, interest and related costs; (b) financial resources to be used for the acquisition, construction, or improvement of capital facilities; and (c) grants and other resources whose use is restricted to a particular purpose.

***Fiduciary Funds*** - Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City has no trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds used to account for the Mayor's Court and the Clinton-Grandview Heights JEDZ.

**(d) Measurement Focus**

***Government-wide Financial Statements*** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the City are included on the statement of net position.

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, deferred outflows of resources, liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

**(e) Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Agency funds also use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unavailable revenue and in the presentation of expenses versus expenditures.

***Revenues - Exchange and Nonexchange Transactions*** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means that the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days of year end.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Nonexchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned (See Note 8). Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, State-levied locally shared taxes (including gasoline tax, local government funds and permissive tax), fines and forfeitures, licenses and permits and charges for services.

***Deferred Outflows/Inflows of Resources*** - In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the City, deferred outflows of resources are reported on the government-wide statement of net position for pensions. The deferred outflows of resources related to pension are explained in Note 18.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the City, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of December 31, 2016, but which were levied to finance year 2017 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the City, unavailable revenue includes delinquent property taxes, income taxes, grants and entitlements, and other revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. Deferred inflows of resources related to pension are reported on the government-wide Statement of Net Position (See Note 18).

***Expenses/Expenditures*** - On the accrual basis of accounting, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(f) Budgetary Data**

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriations ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. For all funds, Council appropriations are made at the object level within each department. This is known as the legal level of budgetary control. Budgetary modifications may only be made by resolution of the City Council at the legal level of budgetary control. All funds, other than the agency fund, are legally required to be budgeted and appropriated.

**Tax Budget** - Alternative tax budget information of estimated revenue and expenditures for all funds is submitted to the Franklin County Auditor, as Secretary of the County Budget Commission, by July 20 of each year, for the period January 1 to December 31 of the following year.

**Estimated Resources** - The County Budget Commission determines if the budget substantiates a need to levy all or part of previously authorized taxes and reviews estimated revenue. The Commission certifies its actions to the City by September 1. As part of this certification, the City receives the official certificate of estimated resources, which states the projected revenue of each fund. Prior to December 31, the City must revise its budget so that the total contemplated expenditures from any fund during the ensuing year will not exceed the amount available as stated in the certificate of estimated resources.

The revised budget then serves as the basis for the annual appropriations measure. On or about January 1, the certificate of estimated resources is amended to include encumbrances and cash balances at December 31 of the preceding year. The certificate may be further amended during the year if the City Director of Finance determines, and the Budget Commission agrees, that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statement reflect the amounts in the original and final amended official certificate of estimated resources issued during 2016.

**Appropriations** - A temporary appropriation ordinance to control expenditures may be passed on or about January 1 of each year for the period January 1 to March 31. An annual appropriation ordinance must be passed by April 1 of each year for the period January 1 to December 31. The appropriation ordinance fixes spending authority at the object level. The appropriation ordinance may be amended during the year as new information becomes available, provided that total fund appropriations do not exceed current estimated resources, as certified. The appropriations for a fund may only be modified during the year by an ordinance of Council. The amounts on the budgetary statement reflect the original and final appropriation amounts, including all amendments and modifications legally enacted by Council.

**Lapsing of Appropriations** - At the close of each year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. Encumbrances are carried forward and are not reappropriated as part of the subsequent year appropriations.



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Cash and Investments**

Except for cash in segregated accounts, cash balances of the City's funds are pooled and invested in investments maturing within five years in order to provide improved cash management. Individual fund integrity is maintained through City records. Each fund's interest in the pooled bank account is presented as "equity in pooled cash and investments" on the financial statements.

During 2016, investments were limited to negotiable certificates of deposit, federal agency securities, STAR Ohio and money market funds. Negotiable certificates of deposit and federal agency securities are reported at fair value which is based on quoted market prices. Money market accounts are reported at cost.

During fiscal year 2016, the City invested in the State Treasury Asset Reserve of Ohio (STAR Ohio). STAR Ohio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value.

For the fiscal year 2016, there were no limitation or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$50 million, requiring the excess amount to be transacted the following business day(s), but only to the \$50 million limit. All accounts of the participant will be combined for these purposes.

Under existing Ohio statutes all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund, street construction maintenance and repair fund, and non-major special revenue funds during 2016 amounted to \$140,855, \$17,824, and \$436, respectively.

The City has segregated bank accounts for the Mayor's Court and the Clinton-Grandview Heights JEDZ monies held separate from the City's central bank account. These interest-bearing depository accounts are presented in the financial statements as "cash in segregated accounts" since they are not required to be deposited into the City treasury. For purpose of presentation on the financial statements, investments of the cash management pool and investments with original maturities of three months or less at the time they are purchased by the City are considered cash equivalents. Investments with an initial maturity of more than three months are reported as investments. An analysis of the City's investment account at year end is provided in Note 4.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(h) Capital Assets**

These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$5,000 for land improvements, \$10,000 for buildings and improvements, \$2,500 for equipment and vehicles and \$15,000 for infrastructure. The City has determined all land will be capitalized regardless of the dollar amount. The City’s infrastructure consists of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not.

All reported capital assets, except land, intangibles, and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method in the governmental activities over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land improvements	15 - 20 years
Buildings and improvements	10 - 50 years
Machinery and equipment	3 - 20 years
Vehicles	6 - 15 years
Infrastructure	20 - 75 years

**(i) Compensated Absences**

The liability for compensated absences is based on the provisions of GASB Statement No. 16, “Accounting for Compensated Absences”. Vacation benefits and compensatory time are accrued as liabilities as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31, 2016 by those employees who are currently eligible to receive termination (severance) payments, as well as, the sick leave accumulated by those employees expected to become eligible to receive termination (severance) benefits in the future.

The total liability for vacation, compensatory time and sick leave payments has been calculated using pay rates in effect at the balance sheet date, and reduced to the maximum payment allowed by city ordinance and/or policy, plus applicable additional salary related payments.

The entire compensated absence liability is reported on the government-wide financial statements.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

**(k) Inventories of Materials and Supplies**

On government-wide and fund financial statements, purchased inventories are presented at the lower of cost or market. Inventories are recorded on a first-in, first-out basis and are expensed when used. Inventories are accounted for using the consumption method.

In the governmental funds, inventories are offset by a nonspendable fund balance account to indicate that they do not constitute available financial resources and therefore are not available for appropriation.

Inventory consists of expendable supplies held for consumption.

**(l) Prepaid Items**

Payments made to vendors for services that will benefit periods beyond December 31, 2016, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount at the time of the purchase and the expenditure/expense in the year in which services are consumed.

**(m) Interfund Activity**

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements. Interfund activity between governmental funds is eliminated in the statement of activities.

**(n) Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension systems report investments at fair value.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Fund Balance**

GASB Statement No. 54, *Fund Balance Reporting* became effective for years beginning after June 15, 2010. The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

In accordance with this guidance, the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The City may use the following categories:

Nonspendable - resources that are not in a spendable form (inventory, prepaids, and advances) or have legal or contractual requirements to maintain the balance intact (unclaimed funds).

Restricted - resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

Committed - resources that can be used only for specific purposes pursuant to constraints imposed by formal action (resolution) of the City's highest level of decision-making authority (City Council).

Assigned - resources that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. This includes the residual balance of all governmental funds other than the General Fund that were not classified elsewhere above. Assigned amounts represent intended uses established by City Council.

Unassigned - residual fund balance within the General Fund not classified elsewhere above and all other governmental fund balances which have a negative fund balance.

The City applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted fund balance/net position are available. The City considers committed, assigned and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be used.

**(p) Estimates**

The preparation of the basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

**(q) Contributed Capital**

Contributions of capital arise from outside contributions of capital assets, or from grants or outside contributions of resources restricted to capital acquisition and construction. Capital contributions are reported as program revenue in the statement of activities.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(r) Extraordinary and Special Items**

Extraordinary items or transactions of events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the City administration and are either unusual in nature or infrequent in occurrence. The City had no extraordinary or special items during the fiscal year.

**(s) Net Position**

Net position represents the difference between assets, liabilities, and deferred inflows/outflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The net position restricted for other purposes primarily represents monies restricted for the Grandview Center improvements.

The City applies restricted resources first, when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**NOTE 3 – ACCOUNTABILITY**

***Deficit Fund Balance***

The following funds had a deficit fund balance as of December 31, 2016:

Governmental Fund	Deficit
<i>Major fund</i>	
Parks and Recreation Improvement Fund	\$ (1,017,489)
<i>Nonmajor funds</i>	
Clean Ohio Remediation Funds 7 Fund	\$ (141,827)
Grandview Yard Infrastructure Fund	(3,226)
Northwest and First Improvement Fund	(119,160)

These funds complied with Ohio State law, which does not permit a cash basis deficit at year end. The deficit fund balance in these funds resulted from adjustments for accrued liabilities. The general fund is responsible for any deficits in these funds and provides transfers when cash is required, rather than when accruals occur.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 4 – DEPOSITS AND INVESTMENTS**

State statutes classify monies held by the City into three categories.

Active deposits are public deposits necessary to meet current demands on the treasury. Such monies must be maintained either as cash in the City treasury, in commercial accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts, or in money market deposit accounts.

Inactive deposits are public deposits that the City Council has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use, but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit or by savings or deposit accounts including passbook accounts.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Certain banker's acceptance and commercial paper notes for a period not to exceed one-hundred-eighty days from the purchase date in an amount not to exceed twenty-five percent of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

The City may also invest any monies not required to be used for a period of six months or more in (1) Bonds of the State of Ohio; (2) Bonds of any municipal corporation, village, county, township, or other political subdivision of this state, as to which there is no default of principal, interest or coupons; and, (3) Obligations of the City.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

Protection of the City’s deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the Director of Finance by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the Director of Finance, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

***(a) Cash on Hand***

At year end, the City had \$1,000 in undeposited cash on hand which is included on the financial statements of the City as part of “equity in pooled cash and investments”.

***(b) Cash in Segregated Accounts***

At year end, the City had \$2,150 and \$130,677 deposited with financial institutions for monies related to the Mayor’s Court and the Clinton-Grandview Heights JEDZ, respectively, which are reported as agency funds. This amount was covered by the FDIC and is included in the City’s depository balance detailed in Note 4.C.

***(c) Deposits with Financial Institutions***

At December 31, 2016, the carrying amount of all City deposits was \$7,113,372 and the bank balance was \$7,529,679. FDIC covered \$387,332 of the bank balance. In addition, as noted above, the City held \$1,000 in petty cash at year-end.

Custodial credit risk is the risk that, in the event of bank failure, the City’s deposits may not be returned. All deposits are collateralized with eligible securities in amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds or as specific collateral held at the Federal Reserve Bank in the name of the City. The City has no deposit policy for custodial credit risk beyond the requirements of State statute. Although the securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**(d) Investments**

As of December 31, 2016, the City had the following investments and maturities:

Investment Type	Amount	Investment Maturities		
		1 year or less	1 to 3 years	Greater than 3 years
Negotiable CD's	\$ 5,185,239	\$ 1,224,051	\$ 1,996,405	\$ 1,964,783
GNMA	103	-	-	103
STAR Ohio	3,503,970	3,503,970	-	-
<b>Total</b>	<b>\$ 8,689,312</b>	<b>\$ 4,728,021</b>	<b>\$ 1,996,405</b>	<b>\$ 1,964,886</b>

The City measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides a NAV per share that approximates fair value. The City measures all other investments at fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the City's investments reported at fair value are valued using quoted market prices (Level 1 inputs).

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to State law, the City's investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* The City's investments in negotiable certificates of deposit are not rated. The City's investment in federal agency securities is rated AAA by Standard & Poor's. The City's investment in STAR Ohio is rated AAAM by Standard & Poor's. The City has no investment policy that would further limit its investment choices.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Finance Director or qualified trustee.

*Concentration of Credit Risk:* The City places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2016:



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

<u>Investment Type</u>	<u>Amount</u>	<u>% of Total</u>
Negotiable CD's	\$ 5,185,239	59.67%
GNMA	103	0.00%
STAR Ohio	3,503,970	40.33%
Total	<u>\$ 8,689,312</u>	<u>100%</u>

*(e) Reconciliation of Cash and Investments to the Statement of Net Position*

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the statement of net position as of December 31, 2016:

Cash and Investments Per Note

Carrying Amount of Deposits	\$ 7,113,372
Investments	8,689,312
Cash on Hand	1,000
Total	<u>\$ 15,803,684</u>

Cash and Investments Per Statements of Net Position

Governmental Activities	\$ 15,670,857
Agency Funds	132,827
Total	<u>\$ 15,803,684</u>

*This space intentionally left blank.*

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 5 – INTERFUND TRANSACTIONS**

*(a) Interfund Balances*

Interfund balances at December 31, 2016 as reported on the Governmental Funds Balance Sheet, consist of the following individual interfund loans receivable and payable:

<u>Fund</u>	<u>Beginning Balance</u>	<u>New Advances</u>	<u>Advance Repayments</u>	<u>Ending Balance</u>
General	\$ 111,000	\$ 3,543,478	\$ (111,000)	\$ 3,543,478
Street Construction, Maintenance and Repair	(107,500)	-	107,500	-
Fire/EMS Grant	(3,500)	-	3,500	-
Parks and Recreation	-	(3,543,478)	-	(3,543,478)

The primary purpose of the interfund balances is to cover costs in specific funds where revenues were not received by December 31. These interfund balances will be repaid once the anticipated revenues are received.

The interfund balance is expected to be repaid within one year. Interfund balances between governmental funds are eliminated on the government-wide financial statements.

**NOTE 6 – RECEIVABLES**

Receivables at December 31, 2016 consisted of income taxes, real and other taxes, payments in lieu of taxes, accounts (billings for user charged services), accrued interest and intergovernmental receivables arising from grants, entitlements, and shared revenue. Receivables have been recorded to the extent that they are measurable at December 31, 2016.

A summary of the items of receivables reported on the statement of net position follows:

**Governmental Activities:**

Income taxes	\$ 2,242,669
Property and other local taxes	2,410,593
Payment in lieu of taxes	3,012,254
Accounts	100,892
Accrued Interest	18,776
Intergovernmental	811,131

Receivables have been separately identified on the face of the basic financial statements. All receivables are expected to be collected within the subsequent year.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 7 – PROPERTY TAXES**

Property taxes include amounts levied against all real and public utility property located in the City. Taxes collected from real property taxes (other than public utility) in one calendar year are levied in the preceding calendar year on the assessed value as of January 1 of that preceding year, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be revaluated every six years. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits later payment dates to be established.

Public utility real property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. 2016 public utility property taxes became a lien December 31, 2015, are levied after October 1, 2016, and are collected in 2017 with real property taxes. Public utility property taxes are payable on the same dates as real property taxes described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County, including the City. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility taxes and outstanding delinquencies which are measurable as of December 31, 2016 and for which there is an enforceable legal claim. In the governmental funds, the current portion receivable has been offset by unavailable revenue since the current taxes were not levied to finance 2016 operations and the collection of delinquent taxes has been offset by unavailable revenue since the collection of the taxes during the available period is not subject to reasonable estimation. On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue.

The full tax rate for all City operations for the year ended December 31, 2016 was \$10.15 per \$1,000 of assessed value. The assessed values of real and tangible personal property upon which 2016 property tax receipts were \$258,901,580 and \$9,945,590, respectively.

**NOTE 8 – LOCAL INCOME TAXES**

The City's primary revenue source is a local income tax on residents and on Grandview-based businesses and their employees working in the City. Residents voted in May 2005 to approve a temporary increase in the City's income tax rate from 2.0% to 2.5%. The temporary tax increase began to sunset in 2009 as voted, and a 2.25% rate was in effect for calendar year 2009. In May 2010, taxpayers voted to increase the income tax rate to 2.5% as of July 1, 2010. This rate change in conjunction with ongoing economic development effort is a strong step forward for the City. Residents of the City are granted a credit of 100% for taxes paid to other municipalities, not to exceed a maximum of 2.25% of earnings.

Employers within the City are required to withhold income tax on employee compensation and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are required to pay their estimated tax quarterly and file a final return annually. The Regional Income Tax Agency (RITA) administers and collects income taxes for the City. Payments, net of a 3% collection fee, are remitted monthly for tax revenues received by RITA in the prior month.

Income tax revenue is credited to the General fund, Grandview Yard TIF fund, and General Improvement fund and totaled \$9,983,620, \$469,160, and \$550,146 in 2016, respectively.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 9 – JOINT ECONOMIC DEVELOPMENT ZONE REVENUES**

The City receives intergovernmental revenue from the Clinton-Grandview Height Joint Economic Development Zone (JEDZ). The Clinton-Grandview Heights JEDZ has adopted a current income tax rate of 2.5 percent, which is equal to the rate being levied by the City. The Clinton-Grandview Heights JEDZ is required to pay RITA a collection fee equal to 3% of gross revenues and the City an administration and collection fee equal to 2% of gross revenues. In addition, the Clinton-Grandview Heights JEDZ agrees to reimburse the City for any reasonable and necessary costs. The remaining net revenues will be allocated as follows: 10 percent to the Township and 90 percent to the City. The 90 percent allocated to the City will be allocated as follows: 77.78 percent to the Township and 22.22 percent to the City.

Administration and collection fees received by the City during the year totaled \$73,062 and intergovernmental revenue credited to the City's General Fund totaled \$3,117,285, of which \$2,424,624 was expended to Clinton Township.

**NOTE 10 – GRANDVIEW YARD FINANCING AND DEVELOPMENT**

The City, pursuant to the Ohio Revised Code and City ordinances, has established a Tax Increment Financing (TIF) District for the Grandview Yard site. A TIF District represents a geographic area wherein property values created after the commencement date of the TIF District are exempt, in whole or in part, from property taxes. Owners of such property, however, must pay amounts equal to the property taxes, known as "payments in lieu of taxes (PILOT)", as though the TIF District had not been established.

These "PILOTS" are then dedicated to the payments for various public improvements within or adjacent to the TIF District. Property values existing before the commencement date of a TIF District continue to be subjected to property taxes.

The TIF District has a longevity of the shorter period of 30 years or until the public improvements are paid for. The property tax exemption then ceases; PILOT's cease and property taxes then apply to the increased property values. In exchange for approving this tax exemption, the City entered into an agreement with the Grandview Heights City School District to compensate for a portion of lost property tax revenue. These payments are to be made from the service payments received in lieu of property taxes.

On December 1, 2009, the City entered into a Cooperative Agreement with the Columbus-Franklin County Finance Authority (the "Issuer") and NRI Equity Land Investments, LLC (the "Developer"), to finance and develop the Grandview Yard. Pursuant to the Cooperative Agreement, as amended, the Issuer has agreed to issue bonds up to an amount not to exceed \$145 million to finance costs of the public improvements and has appointed the Developer as its construction agent for the construction of the improvements. The public improvements generally consist of:

1. The construction of one or more surface parking lots or parking structures and related improvements, together with all appurtenances thereto;
2. The construction, reconstruction, extension, opening, improving, widening, grading, draining, curbing or changing of the lines and traffic patterns of roads, highways, streets, railways, bridges (including roadway, railway and pedestrian), existing roadways adjacent to and providing ingress and egress to the TIF Site or to the Grandview Yard Site, sidewalks, bikeways, medians and viaducts and providing lighting systems along with all other appurtenances therefore;

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 10 – GRANDVIEW YARD FINANCING AND DEVELOPMENT (Continued)**

3. The construction or reconstruction of one or more public green spaces, including grading, trees, plantings, park accessories and related improvements, together with all appurtenances thereto;
4. The construction or installation of streetscape improvements including trees, tree grates, curbs, sidewalks, street and sidewalk lighting, trash receptacles, benches, newspaper racks, burial of overhead utility lines and related improvements, together with all appurtenances, thereto; design and traffic studies preliminary to the foregoing;
5. Designing, engineering, constructing, and improving the new infrastructure for electric, gas, telephone, and cable services, including aid to construction fees for gas, aid to construction fees for electric, with related site improvements and appurtenances thereto; and
6. The acquisition of real estate or interests in real estate, including right-of-ways, necessary to accomplish the improvements enumerated in numbers 2 through 5, above.

Cost estimates for these public improvements are as follows:

	Cost Estimate
Public improvements within the Grandview Yard Site	\$ 48,000,000
Public improvements - offsite	31,000,000
Parking structures	62,500,000
Right-of-way acquisition	12,500,000
Green space and other public improvements	4,000,000
Total public improvements	\$ 158,000,000

The estimated costs, above, include approximately \$14.8 million in public improvements related to a Tax Increment Financing District established by the City of Columbus related to the Third Avenue Widening Project (\$1.3 million), public infrastructure improvements in the Third Avenue/Olentangy River Road Corridor (\$11 million) and Third Avenue storm sewer improvements (\$2.5 million). The City of Columbus has consented to the issuance of bonds and has pledged service payments and property tax rollback payments to pay the costs of said improvements.

All other estimated costs relate to the City’s TIF District. The City has also consented to the issuance of bonds and has pledged and assigned to the Issuer available income taxes generated by the Grandview Yard Site and Urban Renewal and TIF service payments (payments in lieu of property taxes) generated by the improvements. Assigned income taxes will continue to be pledged until the earlier of the date in which the debt service is paid in full or December 31, 2054 and assigned service payments will continue to be pledged until the earlier of date in which the debt service is paid in full or December 31, 2059.

On December 22, 2009, the Issuer issued \$12 million in Public Infrastructure TIF and Income Tax Revenue Bonds (Series 2009A) to finance Phase 1a and 1b of the Grandview Yard Project. The bonds bear an interest rate of 6.02% payable on June 1 and December 1 of each year. The bonds are subject to mandatory redemption, in whole or in part, on each interest payment date from assigned funds. Unless otherwise retired by earlier redemption, the bonds mature, together with interest on the unpaid principal balance thereof on December 21, 2039.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 10 – GRANDVIEW YARD FINANCING AND DEVELOPMENT (Continued)**

In 2014, three more bonds issues were authorized: 2014A (\$107 million), 2014B (\$10 million) and 2014C (\$11 million). The 2014A bonds were issued to pay for infrastructure improvements for the remaining phases of the Grandview Yard development. The 2014B bonds were issued to provide TIF funds to repay the City's OPWC loans related to the Grandview Yard development. The 2014C bonds were issued to refund the Series 2014B bonds.

During 2016, the City received \$1,549,253 in PILOT revenue related to the TIF District, of which \$636,928 was paid to the Grandview Heights City School District, \$870,794 was distributed to the Issuer for principal and interest payments, \$21,721 was distributed to the Grandview Public Library and \$19,810 was deducted by Franklin County for Auditor and Treasurer fees.

**NOTE 11 – TAX ABATEMENTS**

***Economic Development Incentive Program***

Description – Under the authority of Ordinance 2004-32, City Code Chapter 159 and City Code Section 181.131 / 183.03 (F)(9), the City established its Economic Development Incentive Program in 2004 to foster the growth, development and maintenance of economic activities within the City for the purpose of retaining and creating jobs and employment opportunities and improving the economic welfare of the City. The specific tax being abated is the income tax, which is rebated by the City via check. For this abatement, no intergovernmental revenue is related and the agreements will not be disclosed individually since there are currently 28 active agreements. Also, the City will not be disclosing individual company tax incentive payments pursuant to ORC 718.13.

The gross dollar amount for this abatement during 2016 is \$752,303. This is payable as of year-end.

Requirements for Eligibility – In order for a recipient to be eligible to receive this tax abatement, the following requirements must be met:

1. The business entity's project is economically sound and will benefit the people of the community by increasing opportunities for employment and strengthening the economy of the community.
2. The business entity will effectively maximize or commit to maximize the density of employment at one or more of the community's vacant or under-utilized buildings.
3. Application for the inducement is made before the business entity purchases or improves a property under consideration for an inducement, and receiving the inducement is a major factor in the business entity's decision to go forward with the project.
4. The project will not result in unanticipated and unfunded public service needs.
5. The site from which the employment positions would be relocated is inadequate to meet market and industry conditions, expansion plans, consolidation plans, or business considerations affecting the business entity.
6. The legislative authority of the county, township or municipal corporation from which the employment positions would be relocated has been notified of the proposed relocation.

Recipient Commitment – The company is committed to increasing the City's income tax revenue by expanding operations with the City or relocating to the City.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 11 – TAX ABATEMENTS (Continued)**

Provisions for recapturing abated taxes – Companies may be required to refund to the City all or part of the credits received pursuant to the agreement.

Other City Commitments – For the Grandview Yard properties, beginning in 2014, the City has also pledged an amount equal to 25 percent of net income tax from the Grandview Yard businesses for payment of debt service on TIF bonds. This percentage increases to 45 percent for 2018-2022, and then to 55 percent until the bonds are paid off.

***Grandview Heights CRA***

Description – Under the authority of ORC 3735.65 – 3735.70 called “Grandview Heights CRA” the City implemented a community reinvestment area program in 1998. Further in 2010, the City implemented a community reinvestment area program within an area of the City generally known as “Grandview Yard”.

Legislation established that the remodeling of existing and construction of the new structures within these CRA’s constituted a public purpose for which real property tax exemptions may be granted.

The specific tax being abated is the property tax. These taxes are abated through a reduction in assessed value. For the Grandview Heights CRA, residential has a tax exemption on 50 percent of the increase in assessed valuation resulting from remodeling for a period of 10 years. Commercial and industrial under the Grandview Heights CRA require a negotiated agreement with City Council. For Grandview Yard, taxes are reduced 50 percent, 25 percent, and 75 percent for Residential, Commercial Office, and Commercial Hotel, respectively.

There is no intergovernmental revenue related to this tax abatement. However, the City does have a revenue sharing agreement with the Grandview Heights City School District (the “District”) for one of the active abatements. As part of this agreement, the City pays the District their share of the abated taxes.

The gross dollar amount for the total abated value of the parcels for tax year 2016 is \$117,224.

The City will not be disclosing these abatement agreements individually. The City will also not be disclosing the individual company tax incentive payments pursuant to ORC 718.13.

Requirements for Eligibility for Grandview Heights CRA – Exemptions from real property taxes for improvements to real property may be granted to the following classes for the following periods:

1. For the remodeling of residential structures containing at least four dwelling units upon which the cost of remodeling is at least \$25,000 per dwelling unit for maximum period of 10 years.
2. For the remodel of commercial or industrial structures upon which the cost of remodeling is at least \$100,000 for a maximum period of 12 years.
3. For the new construction of multi-family residential structures of at least 10 dwelling units, commercial or industrial structure for a maximum of 15 years.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 11 – TAX ABATEMENTS (Continued)**

Requirements for Eligibility for Grandview Yard CRA – Exemptions from real property taxes for improvements to real property may be granted to the following classes for the following periods:

1. For each parcel of real property on which a structure used or to be used as commercial office space is remodeled at a cost of at least \$100,000, an exemption for a maximum period of 12 years at a rate not to exceed 25 percent of the increase in assessed value of such parcel as a result of such remodeling.
2. For each parcel of real property on which a structure used or to be used as a commercial hotel is remodeled at a cost of at least \$100,000, an exemption for a maximum of period of 12 years at a rate not to exceed 75 percent of the increase in assessed value of such parcel as a result of such remodeling.
3. For each parcel of real property on which a structure used or to be used as a commercial multiunit residential structure is remodeled at a cost of at least \$100,000, an exemption for a maximum period of 12 years at a rate not to exceed 50 percent of the increase in assessed value of such parcel as a result of such remodeling.
4. For each parcel of real property on which a structure to be used as commercial office space is constructed, an exemption for a maximum period of 15 years at a rate not to exceed 25 percent of the increased value of such parcel as a result of such construction.
5. For each parcel of real property on which a structure to be used as a commercial hotel is constructed, an exemption for a maximum period of 15 years at a rate not to exceed 75 percent of the increase in assessed value of such parcel as a result of such construction.
6. For each parcel of real property on which a structure used or to be used as a commercial multiunit residential structure is constructed, an exemption for a maximum period of 15 years at a rate not to exceed 50 percent of the increase in assessed value of such parcel as a result of such construction.

Recipient Commitment – The company is committed to purchasing, remodeling, and/or constructing properties within the CRA that will improve property value and bring jobs to the City.

Provisions for recapturing abated taxes – There are no provisions for recapturing abated taxes as each abatement is reviewed by the Tax Incentive Review Council on an annual basis. Abatements may be cancelled is property owners are not in compliance with their Reinvestment Area Agreement.

Other City Commitments – For the Grandview Yard properties, beginning in 2014, the City has also pledged an amount equal to 25% of net income tax from the Grandview Yard businesses for payment of debt service on TIF bonds. This percentage increases to 45% for 2018-2022, and then to 55% until the bonds are paid off.



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 12 – CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2016 was as follows:

<i>Governmental Activities</i>	Beginning Balance	Additions	Deductions	Transfers	Ending Balance
<b>Nondepreciable Capital Assets</b>					
Land	\$ 2,537,052	\$ 967,632	\$ -	\$ -	\$ 3,504,684
Intangible	8,081,023	-	-	-	8,081,023
Construction in Progress	25,628,198	15,743,653	(5,000)	(153,297)	41,213,554
<b>Total Nondepreciable Assets</b>	<b>36,246,273</b>	<b>16,711,285</b>	<b>(5,000)</b>	<b>(153,297)</b>	<b>52,799,261</b>
<b>Depreciable Capital Assets</b>					
Land Improvements	2,526,699	59,775	(55,440)	-	2,531,034
Building and Improvements	4,295,821	24,628	(482,893)	-	3,837,556
Machinery, Equipment and Furniture	1,706,350	452,503	(271,856)	-	1,886,997
Vehicles	2,892,075	431,111	(50,910)	-	3,272,276
Infrastructure	14,105,060	-	-	153,297	14,258,357
<b>Total Depreciable Assets</b>	<b>25,526,005</b>	<b>968,017</b>	<b>(861,099)</b>	<b>153,297</b>	<b>25,786,220</b>
<b>Less accumulated depreciation</b>					
Land Improvements	(392,898)	(135,853)	25,242	-	(503,509)
Building and Improvements	(1,813,518)	(110,589)	460,218	-	(1,463,889)
Machinery, Equipment and Furniture	(897,157)	(135,941)	246,151	-	(786,947)
Vehicles	(1,636,035)	(194,106)	39,593	-	(1,790,548)
Infrastructure	(2,409,232)	(611,505)	-	-	(3,020,737)
<b>Total accumulated depreciation</b>	<b>(7,148,840)</b>	<b>(1,187,994)</b>	<b>771,204</b>	<b>-</b>	<b>(7,565,630)</b>
<b>Depreciable Capital Assets, Net of accumulated depreciation</b>	<b>18,377,165</b>	<b>(219,977)</b>	<b>(89,895)</b>	<b>153,297</b>	<b>18,220,590</b>
<b>Total Capital Assets, Net</b>	<b>\$ 54,623,438</b>	<b>\$ 16,491,308</b>	<b>\$ (94,895)</b>	<b>\$ -</b>	<b>\$ 71,019,851</b>

Depreciation expense was charged to the governmental functions as follows:

General Government	\$ 32,672
Security of Persons and Property	176,304
Transportation	600,321
Leisure Activities	239,930
Utility Services	93,951
Economic Development	44,816
<b>Total depreciation expense</b>	<b>\$ 1,187,994</b>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 13 – CAPITALIZED LEASES – LESSEE DISCLOSURE**

During 2014, the City entered into a capitalized lease for the purchase of a fire truck, which was accounted for in the general improvement nonmajor governmental fund. The lease has an interest rate of 2.1 percent and will be repaid in full in 2019. The lease will be paid from the City’s general improvement fund.

A capital asset for the fire truck has been capitalized in the amount of \$449,012. This amount represents the present value of minimum lease payments at the time of acquisition plus \$1,753 in additional expenses. Accumulated depreciation as of December 31, 2016 was \$67,352, leaving a current book value of \$381,660. A corresponding liability was recorded in the government-wide financial statement.

During 2016, the City entered into a capitalized lease for the purchase of a freightliner, which was accounted for in the general improvement nonmajor governmental fund. The lease has an interest rate of 2.23 percent and will be repaid in full in 2020. The lease will be paid from the City’s general improvement fund.

A capital asset for the freightliner has been capitalized in the amount of \$234,018. This amount represents the present value of minimum principal payments at the time of the acquisition. Accumulated depreciation as of December 31, 2016 was \$22,752, leaving a current book value of \$211,266. A corresponding liability was recorded in the government-wide financial statement.

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the future minimum lease payments as of December 31, 2016:

Year	Governmental Activities
2017	\$ 144,071
2018	144,071
2019	144,071
2020	49,411
Total Minimum Lease Payments	481,624
Less Amount Representing Interest	(20,695)
Present Value of Minimum Lease Payments	\$ 460,929

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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 14 – LONG TERM LIABILITIES**

*(a) Changes in Long-term Liabilities*

The following is a summary of changes in long-term liabilities of the governmental activities for the year ended December 31, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>OPWC Loans:</b>					
CC12B OPWC Loan 0%	\$ 79,722	\$ -	\$ (14,495)	\$ 65,227	\$ 14,495
CC10C OPWC Loan 3%	108,472	-	(18,424)	90,048	18,981
CC03C OPWC Loan 0%	177,313	-	(22,164)	155,149	22,164
CC05I OPWC Loan 2%	418,953	-	(31,220)	387,733	31,847
CC04N OPWC Loan 0%	202,292	-	(8,991)	193,301	8,991
CC17Q OPWC Loan 0%	1,683,600	-	(56,120)	1,627,480	56,120
CC11Q OPWC Loan 0%	481,893	291,931	-	773,824	-
CC12R OPWC Loan 0%	1,608,181	483,813	-	2,091,994	77,481
<b>General Obligation Bonds:</b>					
Park improvement bonds,					
series 2012- 2%-4%	2,575,000	-	(80,000)	2,495,000	80,000
Bond premium	90,349	-	(3,765)	86,584	-
Various Purpose Improvement Bonds,					
series 2016- 2%-3%	-	6,630,000	-	6,630,000	260,000
Bond premium	-	195,110	-	195,110	-
<b>Total loans and bonds</b>	<b>7,425,775</b>	<b>7,600,854</b>	<b>(235,179)</b>	<b>14,791,450</b>	<b>570,079</b>
Fire Truck Lease	361,358	-	(87,529)	273,829	89,376
Medic Lease	-	234,018	(46,918)	187,100	45,239
<b>Net Pension Liability</b>					
OPERS	2,173,655	1,114,267	-	3,287,922	-
OP&F	7,697,317	2,005,940	-	9,703,257	-
Compensated Absences	1,018,049	341,666	(278,389)	1,081,326	249,130
<b>Total Long Term Liabilities</b>	<b>\$ 18,676,154</b>	<b>\$ 11,296,745</b>	<b>\$ (648,015)</b>	<b>\$ 29,324,884</b>	<b>\$ 953,824</b>

*Compensated absences:* Compensated absences reported in the "compensated absences payable" account will be paid from the fund from which the employees' salaries are paid, which is the general fund for all employees.

*OPWC loans:* The City has entered into eight debt financing arrangements through the Ohio Public Works Commission (OPWC). The CC12B, CC03C and CC17Q loans are to fund Goodale Boulevard street improvements. The CC10C and CC05I loans are to fund the sewer rehabilitation project. The CC04N loan is for the Oakland Avenue Reconstruction. The CC11Q loan is to fund the Grandview Yard Infrastructure Improvement. The CC12R loan is to finance the Grandview Yard Infrastructure Improvements Phase IV.

The amounts due to the OPWC are payable solely from general revenues. The loan agreements function similar to a line-of-credit agreement. The OPWC loans are being repaid from nonmajor governmental funds. The loan agreements require semi-annual payments based on the actual amount loaned. The OPWC loans for the street improvements are interest free as long as payments remain current and the sewer project loans have interest rates of 3% and 2%, respectively.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 14 – LONG TERM LIABILITIES (Continued)**

*General Obligation Bonds:* On December 20, 2012, the City issued \$2,800,000 in unvoted general obligation bonds for the purpose of financing improvements, including acquisition and construction of facilities and equipment, at the City’s various parks. The bond issue included serial and term bonds, in the amounts of \$470,000 and \$2,330,000, respectively. The bonds were issued for a twenty-eight year period with final maturity at December 1, 2039.

The term bonds were issued at \$2,330,000. \$350,000 of the term bonds that mature on December 1, 2022, are subject to mandatory sinking fund redemption on December 1, 2019, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to the date of redemptions according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2019	\$ 85,000
2020	85,000
2021	90,000
2022	90,000

The \$490,000 term bonds maturing on December 1, 2027, are subject to mandatory sinking fund redemption on December 1, 2023, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2023	\$ 95,000
2024	95,000
2025	100,000
2026	100,000
2027	100,000

The \$325,000 term bonds maturing on December 1, 2030, are subject to mandatory sinking fund redemption on December 1, 2028, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2028	\$ 105,000
2029	110,000
2030	110,000

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 14 – LONG TERM LIABILITIES (Continued)**

The \$610,000 term bonds maturing on December 1, 2035, are subject to mandatory sinking fund redemption on December 1, 2031, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2031	\$ 115,000
2032	120,000
2033	120,000
2034	125,000
2035	130,000

The \$555,000 term bonds maturing on December 1, 2039, are subject to mandatory sinking fund redemption on December 1, 2036, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2036	\$ 135,000
2037	135,000
2038	140,000
2039	145,000

On June 7, 2016, the City issued \$6,630,000 in unvoted general obligation bonds for the purpose of financing improvements, including various water and sewer system improvement projects. The bonds issue included serial and term bonds, in the amounts of \$5,925,000 and \$705,000, respectively. The bonds were issued for a twenty-five year period with final maturity at December 1, 2041.

The term bonds were issued at \$705,000. \$340,000 of the term bonds that mature on December 1, 2038, are subject to mandatory sinking fund redemption on December 1, 2036, and on each December 1 thereafter at 100 percent of the principal amount thereof plus accrued interest to the date of redemption according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2036	\$ 110,000
2037	115,000
2038	115,000

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 14 – LONG TERM LIABILITIES (Continued)**

The \$365,000 term bonds maturing on December 1, 2041, are subject to mandatory sinking fund redemption on December 1, 2039, and on each December 1 thereafter at 100% of the principal amount thereof plus accrued interest to the date of redemptions according to the following schedule:

Fiscal Year	Principal Amount to be Redeemed
2039	\$ 120,000
2040	120,000
2041	125,000

***(b) Future Debt Service Requirements***

Principal and interest requirements to retire long-term obligations outstanding at December 31, 2016 are as follows:

	OPWC Loans		General Obligation Bonds	
	Principal	Interest	Principal	Interest
2017	\$ 230,079	\$ 10,156	\$ 340,000	\$ 220,337
2018	231,293	8,942	350,000	213,537
2019	232,537	7,699	350,000	206,537
2020	233,811	6,423	360,000	199,324
2021	217,101	5,117	370,000	191,912
2022-2026	940,399	14,108	1,960,000	838,708
2027-2031	751,819	584	2,190,000	597,740
2032-2036	712,961	-	2,190,000	332,870
2037-2041	681,487	-	1,015,000	87,438
2042-2046	379,445	-	-	-
Total	<u>\$ 4,610,932</u>	<u>\$ 53,029</u>	<u>\$ 9,125,000</u>	<u>\$ 2,888,403</u>

The table above excludes one of the eight OPWC loans, CC11Q, as the amortization schedule is not yet available. This loan will be added once the schedule becomes available.

***(c) Debt Limitation***

The Ohio Revised Code provides that the net debt of a municipal corporation, whether or not approved by the electors, shall not exceed 10.5% of the total value of all property in the municipal corporation as listed and assessed for taxation. In addition, the unvoted net debt of municipal corporations cannot exceed 5.5% of the total taxation value of property. The assessed valuation used in determining the City's legal debt margin has been modified by House Bill 530 which became effective March 30, 2006. In accordance with House Bill 530, the assessed valuation used in calculating the City's legal debt margin calculation excludes tangible personal property used in business, telephone or telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations. At December 31, 2016, the City's total and unvoted debt limits were \$28,228,953 and \$14,786,594, respectively. The City's debt was within these limits.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 15 – BOND ANTICIPATION NOTES**

The City’s short-term debt activity for the fiscal year, including amounts outstanding, interest rates, and the purpose for which the debt was issued, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Street Improvements BAN					
Matures 10/13/16- 1%	\$ 1,520,000	\$ -	\$(1,520,000)	\$ -	\$ -
Sewer Improvements BAN					
Matures 10/13/16- 1%	110,000	-	(110,000)	-	-
Total Long Term Liabilities	<u>\$ 1,630,000</u>	<u>\$ -</u>	<u>\$(1,630,000)</u>	<u>\$ -</u>	<u>\$ -</u>

The City issued bond anticipation notes to provide funds for the street and sewer improvements. By Ohio law, notes can be issued in anticipation of bond proceeds, special assessment bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. Limitations also exist on the number of times notes may be renewed. The City’s liability for bond anticipation notes was \$0 at fiscal year-end.

**NOTE 16 – OTHER EMPLOYEE BENEFITS**

**(a) *Compensated Absences***

The criteria for determining vested vacation and sick leave components are derived from negotiated agreements and state laws. Employees earn ten to thirty days of vacation per year, depending upon length of service. Vacation accumulation is typically limited to two to three years based on years of service. All accumulated unused vacation time is paid upon termination of employment.

Employees that were eligible for sick leave for an entire year have the option of receiving payments in cash for a portion of unused sick leave hours, which is to be paid in the first month following the end of that year. The remaining sick leave not paid out will continue to be carried forward.

Vacation and compensatory time are available to full time employees after one year of service with the City. The rates of accrual, total number of hours paid per year and accrual limit varies with years of service. Part time, temporary or seasonal employees are not entitled to vacation leave or compensatory time. Permanent part time employees accrue vacation leave based on the number of hours worked. Permanent part time employees include the Clerk of Courts and three maintenance workers.

Full time and permanent part time employees earn sick leave at a rate of 4.6 hours per 80 regular hours worked. Fire employees who work 56 hour weeks earn sick leave at a rate of 6.5 hours per pay period. There is no limit to the amount an employee can accumulate. Part time, temporary or seasonal employees are not entitled to sick leave. At the time of resignation, if an employee is in good standing and has at least 10 years of public service, OPERS employees and police are entitled to receive one-fourth of their accrued but unused sick leave, up to a maximum accrual of 2,400 and 2,800 hours, respectively, and fire employees are entitled to receive up to one-fourth of their first 2,000 hours and one-third of their remaining hours with a maximum total accrual of 2,800 hours.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 16 – OTHER EMPLOYEE BENEFITS (Continued)**

***(b) Health Care Benefits***

The City provides health, prescription, dental, vision and employee assistance program (EAP) insurance coverage purchased through the Franklin County Cooperative for all eligible employees. Health is provided by United Healthcare, prescription is provided by Catamaran, dental is provided by Aetna, vision is provided by Vision Service Plan and EAP is provided by United Behavioral Health. The employees share the cost of the monthly premium. The City also provides life insurance and accidental death and dismemberment insurance to eligible employees through The Standard Insurance Company.

**NOTE 17 – RISK MANAGEMENT**

The City is exposed to various risks of property and casualty losses, and injuries to employees.

The City insures against injuries to employees through the Ohio Bureau of Worker’s Compensation.

The City belongs to the Public Entities Pool of Ohio (PEP), a risk-sharing pool available to Ohio local governments. PEP provides property and casualty coverage for its members. York Risk Pooling Services, Inc. (formerly known as American Risk Pooling Consultants, Inc.) functions as the administrator of PEP and provides underwriting, claims, loss control, risk management, and reinsurance services for PEP. PEP is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund PEP. PEP pays judgments, settlements and other expenses resulting from covered claims that exceed the members’ deductibles.

Casualty and Property Insurance

APEEP provides PEP with an excess risk-sharing program. Under this arrangement, PEP retains insured risks up to an amount specified in the contracts. At December 31, 2015, PEP retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge PEP’s primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Financial Position

PEP’s financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and net position at December 31, 2015 and 2014 (the latest information available):

<u>Casualty &amp; Property Coverage</u>	<u>2015</u>	<u>2014</u>
Assets	\$ 38,307,677	\$ 35,402,177
Liabilities	<u>(12,759,127)</u>	<u>(12,363,257)</u>
Net Position	<u>\$ 25,548,550</u>	<u>\$ 23,038,920</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 17 – RISK MANAGEMENT (Continued)**

At December 31, 2015 and 2014, respectively, the liabilities above include approximately \$11.5 million and \$11.1 million of estimated incurred claims payable. The assets above also include approximately \$11.0 million and \$10.8 million of unpaid claims to be billed to approximately 499 and 488 member governments in the future, as of December 31, 2015 and 2014, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. As of December 31, 2016, the City’s share of these unpaid claims collectible in future years is approximately \$41,000.

Based on discussions with PEP, the expected rates PEP charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to PEP for each year of membership.

Contributions to PEP	
2016	\$ 64,577
2015	65,111

After one year of membership, a member may withdraw on the anniversary of the date of joining PEP, if the member notifies PEP in writing 60 days prior to the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year’s contribution. Withdrawing members have no other future obligation to PEP. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

**NOTE 18 – PENSION BENEFITS**

*Net Pension (Asset)/Liability*

The net pension (asset)/liability reported on the statement of net position represents a (asset)/liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension (asset)/liability represents the City’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension (asset)/liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the City’s obligation for this (asset)/liability to annually required payments. The City cannot control benefit terms or the manner in which pensions are financed; however, the City does receive the benefit of employees’ services in exchange for compensation including pension.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

GASB 68 assumes the (asset)/liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded (assets)/liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan's board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension (asset)/liability. Resulting adjustments to the net pension (asset)/liability would be effective when the changes are legally enforceable.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net pension (asset)/liability* on the accrual basis of accounting. Any (asset)/liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

***Plan Description – Ohio Public Employees Retirement System (OPERS)***

Plan Description - City employees, other than full-time police and firefighters, participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional plan. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 18 – PENSION BENEFITS (Continued)**

<b>Group A</b> Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	<b>Group B</b> 20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	<b>Group C</b> Members not in other Groups and members hired on or after January 7, 2013
<b>State and Local</b>	<b>State and Local</b>	<b>State and Local</b>
<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	<b>Age and Service Requirements:</b> Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	<b>Formula:</b> 2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average Salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

**2016 Statutory Maximum Contribution Rates**

Employer	14.0 %
Employee	10.0 %

**2016 Actual Contribution Rates**

Employer:	
Pension	12.0 %
Post-employment Health Care Benefits	2.0
Total Employer	<u>14.0 %</u>
Employee	<u>10.0 %</u>

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The City's contractually required contribution was \$323,671 for 2016. Of this amount, \$35,337 is reported as an intergovernmental payable.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

***Plan Description – Ohio Police & Fire Pension Fund (OPF)***

Plan Description - City full-time police and firefighters participate in Ohio Police and Fire Pension Fund (OPF), a cost-sharing, multiple-employer defined benefit pension plan administered by OPF. OPF provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OPF issues a publicly available financial report that includes financial information and required supplementary information and detailed information about OPF fiduciary net position. The report that may be obtained by visiting the OPF website at [www.op-f.org](http://www.op-f.org) or by writing to the Ohio Police and Fire Pension Fund, 140 East Town Street, Columbus, Ohio 43215-5164.

Upon attaining a qualifying age with sufficient years of service, a member of OPF may retire and receive a lifetime monthly pension. OPF offers four types of service retirement: normal, service commuted, age/service commuted and actuarially reduced. Each type has different eligibility guidelines and is calculated using the member's average annual salary. The following discussion of the pension formula relates to normal service retirement.

For members hired after July 1, 2013, the minimum retirement age is 52 for normal service retirement with at least 25 years of service credit. For members hired on or before after July 1, 2013, the minimum retirement age is 48 for normal service retirement with at least 25 years of service credit.

The annual pension benefit for normal service retirement is equal to a percentage of the allowable average annual salary. The percentage equals 2.5 percent for each of the first 20 years of service credit, 2.0 percent for each of the next five years of service credit and 1.5 percent for each year of service credit in excess of 25 years. The maximum pension of 72 percent of the allowable average annual salary is paid after 33 years of service credit.

Under normal service retirement, retired members who are at least 55 years old and have been receiving OPF benefits for at least one year may be eligible for a cost-of-living allowance adjustment. The age 55 provision for receiving a COLA does not apply to those who are receiving a permanent and total disability benefit and statutory survivors.

Members retiring under normal service retirement, with less than 15 years of service credit on July 1, 2013, will receive a COLA equal to either three percent or the percent increase, if any, in the consumer price index (CPI) over the 12-month period ending on September 30 of the immediately preceding year, whichever is less. The COLA amount for members with at least 15 years of service credit as of July 1, 2013 is equal to three percent of their base pension or disability benefit.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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**NOTE 18 – PENSION BENEFITS (Continued)**

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	<u>Police</u>	<u>Firefighters</u>
<b>2016 Statutory Maximum Contribution Rates</b>		
Employer	19.50 %	24.00 %
Employee:		
January 1, 2016 through July 1, 2016	11.50 %	11.50 %
July 2, 2016 through December 31, 2016	12.25 %	12.25 %
<b>2016 Actual Contribution Rates</b>		
Employer:		
Pension	19.00 %	23.50 %
Post-employment Health Care Benefits	<u>0.50</u>	<u>0.50</u>
 Total Employer	 <u>19.50 %</u>	 <u>24.00 %</u>
 Employee:		
January 1, 2016 through July 1, 2016	11.50 %	11.50 %
July 2, 2016 through December 31, 2016	12.25 %	12.25 %

Employer contribution rates are expressed as a percentage of covered payroll. The City’s contractually required contribution to OPF was \$684,607 for 2016. Of this amount \$73,627 is reported as an intergovernmental payable.

***Pension (Assets)/Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

The net pension (asset)/liability for OPERS was measured as of December 31, 2015, and the total pension (asset)/liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. OPF’s total pension (asset)/liability was measured as of December 31, 2015, and was determined by rolling forward the total pension (asset)/liability as of January 1, 2015, to December 31, 2015. The City's proportion of the net pension (asset)/liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>OPERS Traditional Plan</u>	<u>OPERS Combined Plan</u>	<u>OP&amp;F</u>	<u>Total</u>
Proportionate Share of the Net Pension Liability/(Asset)	\$3,287,922	(\$2,263)	\$9,703,257	\$12,988,916
Proportion of the Net Pension Liability/(Asset)	0.018982%	0.004650%	0.150834%	
Pension Expense	\$512,651		\$1,341,015	\$1,853,666

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	OPERS		OP&F	Total
	Traditional Plan	Combined Plan		
<b>Deferred Outflows of Resources</b>				
Net difference between projected and actual earnings on pension plan investments	\$ 966,444	\$ 977	\$ 1,579,318	\$ 2,546,739
Change in proportionate share	76,394	-	93,480	169,874
City contributions subsequent to the measurement date	321,368	2,303	684,607	1,008,278
<b>Total Deferred Outflows of Resources</b>	<b>\$ 1,364,206</b>	<b>\$ 3,280</b>	<b>\$ 2,357,405</b>	<b>\$ 3,724,891</b>
<b>Deferred Inflows of Resources</b>				
Differences between expected and actual experience	\$ 63,530	\$ 1,032	\$ 27,246	\$ 91,808
Change in proportionate share	-	1,209	-	1,209
<b>Total Deferred Inflows of Resources</b>	<b>\$ 63,530</b>	<b>\$ 2,241</b>	<b>\$ 27,246</b>	<b>\$ 93,017</b>

\$1,008,278 reported as deferred outflows of resources related to pension resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2017. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

	OPERS		OP&F	Total
	Traditional Plan	Combined Plan		
Year Ending December 31:				
2017	\$ 246,620	\$ (24)	\$ 428,638	\$ 675,234
2018	262,072	(24)	428,638	690,686
2019	251,908	(24)	428,639	680,523
2020	218,708	(52)	344,447	563,103
2021	-	(275)	12,761	12,486
2022-2025	-	(865)	2,429	1,564
<b>Total</b>	<b>\$ 979,308</b>	<b>\$ (1,264)</b>	<b>\$ 1,645,552</b>	<b>\$ 2,623,596</b>

***Actuarial Assumptions - OPERS***

Actuarial valuations of an ongoing plan involve estimates of the values of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and cost trends. Actuarially determined amounts are subject to continual review or modification as actual results are compared with past expectations and new estimates are made about the future.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation. The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Wage Inflation	3.75 percent
Future Salary Increases, including inflation	4.25 to 10.05 percent including wage inflation
COLA or Ad Hoc COLA	3 percent, simple
Investment Rate of Return	8 percent
Actuarial Cost Method	Individual Entry Age

Mortality rates were based on the RP-2000 Mortality Table projected 20 years using Projection Scale AA. For males, 105 percent of the combined healthy male mortality rates were used. For females, 100 percent of the combined healthy female mortality rates were used. The mortality rates used in evaluating disability allowances were based on the RP-2000 mortality table with no projections. For males 120 percent of the disabled female mortality rates were used set forward two years. For females, 100 percent of the disabled female mortality rates were used.

The most recent experience study was completed for the five-year period ended December 31, 2010.

The long-term rate of return on defined benefit investment assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected real rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation.

OPERS manages investments in four investment portfolios: the Defined Benefits portfolio, the Health Care portfolio, the 115 Health Care Trust portfolio and the Defined Contribution portfolio. The Defined Benefit portfolio includes the investment assets of the Traditional Pension Plan, the defined benefit component of the Combined Plan, the annuitized accounts of the Member-Directed Plan and the VEBA Trust.

Within the Defined Benefit portfolio, contributions into the plans are all recorded at the same time, and benefit payments all occur on the first of the month. Accordingly, the money-weighted rate of return is considered to be the same for all plans within the portfolio. The money weighted rate of return, net of investments expense, for the Defined Benefit portfolio is 0.40 percent for 2015.

The allocation of investment assets with the Defined Benefit portfolio is approved by the Board of Trustees as outlined in the annual investment plan. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The table below displays the Board-approved asset allocation policy for 2014 and the long-term expected real rates of return:

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return (Arithmetic)</u>
Fixed Income	23.00 %	2.31 %
Domestic Equities	19.90	5.84
Real Estate	10.00	4.25
Private Equity	10.00	9.25
International Equities	19.10	7.40
Other investments	18.00	4.59
Total	<u>100.00 %</u>	<u>5.28 %</u>

**Discount Rate** The discount rate used to measure the total pension (asset)/liability was 8 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the statutorily required rates. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefits payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension (asset)/liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension (Asset)/Liability to Changes in the Discount Rate** The following table presents the City’s proportionate share of the net pension (asset)/liability calculated using the current period discount rate assumption of 8 percent, as well as what the City’s proportionate share of the net pension (asset)/liability would be if it were calculated using a discount rate that is one-percentage-point lower (7 percent) or one-percentage-point higher (9 percent) than the current rate:

	<u>1% Decrease (7.00%)</u>	<u>Current Discount Rate (8.00%)</u>	<u>1% Increase (9.00%)</u>
City's proportionate share of the net pension (asset)/liability			
Traditional Plan	\$ 5,238,463	\$ 3,287,922	\$ 1,642,702
Combined Plan	(47)	(2,263)	(4,046)

**Actuarial Assumptions – OPF**

OPF’s total pension liability as of December 31, 2015 is based on the results of an actuarial valuation date of January 1, 2015, and rolled-forward using generally accepted actuarial procedures. The total pension liability is determined by OPF’s actuaries in accordance with GASB Statement No. 67, as part of their annual valuation. Actuarial valuations of an ongoing plan involve estimates of reported amounts and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment mortality, salary increases, disabilities, retirements and employment terminations. Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of January 1, 2015, are presented below:

Valuation Date	January 1, 2014
Actuarial Cost Method	Entry Age Normal
Investment Rate of Return	8.25 percent
Projected Salary Increases	4.25 percent to 11 percent
Payroll Increases	3.75 percent
Inflation Assumptions	3.25 percent
Cost of Living Adjustments	2.60 percent and 3.00 percent

Rates of death are based on the RP2000 Combined Table, age-adjusted as follows. For active members, set back six years. For disability retirements, set forward five years for police and three years for firefighters. For service retirements, set back zero years for police and two years for firefighters. For beneficiaries, set back zero years. The rates are applied on a fully generational basis, with a base year of 2009, using mortality improvement Scale AA.

The most recent experience study was completed January 1, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block approach and assumes a time horizon, as defined in the Statement of Investment Policy. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted averaged of the expected real return premiums for each asset class, adding the projected inflation rate and adding the expected return from rebalancing uncorrelated asset classes. Best estimates of the long-term expected geometric real rates of return for each major asset class included in OPF’s target asset allocation as of December 31, 2015 are summarized below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	- %	(0.25) %
Domestic Equity	16.00	4.47
Non-US Equity	16.00	4.47
Core Fixed Income *	20.00	1.62
Global Inflation Protected *	20.00	1.33
High Yield	15.00	3.39
Real Estate	12.00	3.93
Private Markets	8.00	6.98
Timber	5.00	4.92
Master Limited Partnerships	8.00	7.03
Total	<u>120.00 %</u>	

\* levered 2x

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 18 – PENSION BENEFITS (Continued)**

OPF’s Board of Trustees has incorporated the “risk parity” concept into OPF’s asset liability valuation with the goal of reducing equity risk exposure, which reduces overall Total Portfolio risk without sacrificing return, and creating a more risk-balanced portfolio based on their relationship between asset classes and economic environments. From the notional portfolio perspective above, the Total Portfolio may be levered up to 1.2 times due to the application of leverage in certain fixed income asset classes.

**Discount Rate** The total pension liability was calculated using the discount rate of 8.25 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earning were calculated using the longer-term assumed investment rate of return 8.25 percent. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, a long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 8.25 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (7.25 percent), or one percentage point higher (9.25 percent) than the current rate.

	1% Decrease (7.25%)	Current Discount Rate (8.25%)	1% Increase (9.25%)
City's proportionate share of the net pension liability	\$12,797,296	\$9,703,257	\$7,082,301

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFITS**

**A. Public Employees Retirement System**

Plan Description - The Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Plan (TP) – a cost-sharing multiple-employer defined benefit plan; the Member-Directed Plan (MD) – a defined contribution plan; and the Combined Plan (CO) – a cost-sharing multiple-employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

In March 2016, OPERS received two favorable rulings from the Internal Revenue Service (IRS) allowing OPERS to consolidate all health care assets into the OPERS 115 Health Care Trust. Transition to the new health care trust structure was completed July 1, 2016. As of December 31, 2016, OPERS maintains a cost-sharing, multiple-employer defined benefit post-employment health care trust, which funds multiple health care plans including medical coverage, prescription drug coverage and deposits to a Health Reimbursement Arrangement to qualifying benefit recipients of both the Traditional Pension and the Combined plans. Members of the Member-Directed Plan do not qualify for ancillary benefits, including OPERS sponsored health care coverage. OPERS funds a Retiree Medical Account (RMA) for participants can be reimbursed for qualified medical expenses for qualified medical expenses from their vested RMA balance.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFITS (Continued)**

In order to qualify for coverage, age-and-service retirees under the Traditional Pension and Combined plans must have 20 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45. See the Plan Statement in the OPERS 2015 CAFR for details.

The Ohio Revised Code permits, but does not require, OPERS to provide health care to its eligible benefit recipients. Authority to establish and amend health care coverage is provided to the Board in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/financial/reports.shtml#CAFR>, by writing to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Funding Policy - The Ohio Revised Code provides statutory authority requiring public employers to fund health care through their contributions to OPERS. A portion of each employer's contribution to OPERS is set aside to fund OPERS health care plans.

Employer contribution rates are expressed as a percentage of the earnable salary of active members. In 2016, state and local employers contributed at a rate of 14.0% of earnable salary and Public Safety and Law Enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active member contributions do not fund health care.

Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside to fund health care plans. The portion of employer contributions allocated to health care for members of the Traditional Pension Plan and Combined Plan was 2.0% during calendar year 2016. As recommended by OPERS' actuary, the portion of employer contributions allocated to health care beginning January 1, 2017 decreased to 1.0% for both plans. The Board is also authorized to establish rules for the retiree or their surviving beneficiaries to pay a portion of the health care provided. Payment amounts vary depending on the number of covered dependents and the coverage selected. The employer contribution as a percentage of covered payroll deposited to the VEBA for participants in the Member-Direction Plan for 2016 was 4.0%.

The City's contributions to OPERS to fund health care for the years ending December 31, 2016, 2015, and 2014 were \$53,945, \$50,150, and \$46,003, respectively. The full amount has been contributed for 2015 and 2014. 89 percent has been contributed for 2016 with the remainder being reported as a fund liability.

**B. Ohio Police and Fire Pension Fund**

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multi-employer defined postemployment health care plan administered by OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 19 – OTHER POST-EMPLOYMENT BENEFITS (Continued)**

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or statutory survivor benefit or is a spouse or eligible dependent child of such person. The health care coverage provided by OP&F meets the definition of an Other Post Employment Benefit (OPEB) as described in GASB Statement No. 45.

The Ohio Revised Code allows, but does not mandate OP&F to provide OPEB benefits. Authority for the OP&F Board of Trustees to provide health care coverage to eligible participants and to establish and amend benefits are codified in Chapter 742 of the Ohio Revised Code.

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164. That report is also available on OP&F's website at [www.op-f.org](http://www.op-f.org).

Funding Policy - The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F (defined benefit pension plan). Participating employers are required to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.50% and 24.00% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.50% of covered payroll for police employer units and 24.00% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

OP&F maintains funds for health care in two separate accounts. One for health care benefits under an IRS Code Section 115 trust and one for Medicare Part B reimbursements administrated as an Internal Revenue Code 401(h) account, both of which are within the defined benefit pension plan, under the authority granted by the Ohio Revised Code to the OP&F Board of Trustees.

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The portion of employer contributions allocated to health care was .50% of covered payroll from January 1, 2016 thru December 31, 2016. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

The OP&F Board of Trustees also is authorized to establish requirements for contributions to the health care plan by retirees and their eligible dependents, or their surviving beneficiaries. Payment amounts vary depending on the number of covered dependents and the coverage selected.

The City's contributions to OP&F for the years ending December 31, 2016, 2015, and 2014 were \$700,702, \$664,090, and \$639,656, respectively, of which \$16,095, \$15,210 and \$14,898, respectively, was allocated to the healthcare plan. The full amount has been contributed for 2015 and 2014. 89% has been contributed for police and firefighters for 2016.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 20 – CONTINGENCIES**

*(a) Grants* - The City receives significant financial assistance from numerous federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2016.

*(b) Litigation* - The City is a party to various legal proceedings which seek damages or injunctive relief generally incidental to its operations. The City’s management and legal counsel is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material adverse effect on the financial condition of the City.

**NOTE 21 – FUND RECLASSIFICATIONS**

The Parks and Recreation Improvement Fund met the definition of a major fund in 2016. Therefore, this fund was reclassified from Other Governmental Funds.

The CMAQ Improvement Grant Fund and Grandview Yard Phase IV Fund did not meet the definition of a major fund during 2016. Therefore, the funds were reclassified as Other Governmental Funds. The effect of these reclassifications on fund balance is as follows:

	CMAQ Improvement Grant Fund	Grandview Yard Phase IV Fund	Parks and Recreation Improvement Fund	Other Governmental Funds
Fund Balances, December 31, 2015	\$ (725,661)	\$ (422,402)	\$ -	\$ 1,688,345
Major Fund Reclassifications:				
CMAQ Improvement Grant	725,661	-	-	(725,661)
Grandview Yard Phase IV	-	422,402	-	(422,402)
Parks and Recreation Improvement	-	-	407,796	(407,796)
Fund Balances, January 1, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,796</u>	<u>\$ 132,486</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

**NOTE 22 – CHANGES IN ACCOUNTING PRINCIPLES**

For fiscal year 2016, the City implemented GASB Statement No. 72 “*Fair Value Measurement and Application*” which enhances comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and acceptor valuation techniques. This statement also enhances fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government’s financial position. The implementation of this statement did not have a significant effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 76 “*The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*” which improves financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in non-authoritative literature. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 77 “*Tax Abatement Disclosures*” which improves disclosure of tax abatement information, such as how the tax abatements affect their financial statements and operations and the government’s ability to raise resources in the future, by reporting (1) the government’s own tax abatement agreements; and (2) those that are entered into by other governments and that reduce the reporting government’s tax revenues. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 78 “*Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*”, which amended the scope and applicability of GASB Statement No. 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer. The implementation of this statement did not have an effect on the financial statements of the City.

For fiscal year 2016, the City implemented GASB Statement No. 79 “*Certain External Investment Pools and Pool Participants*” which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The implementation of this statement did not have a significant effect on the financial statements of the City.

**NOTE 23 – SUBSEQUENT EVENTS**

On January 5, 2017, the City issued \$5,500,000 in pool construction bonds for the purpose of financing the pool construction project. The City received \$5,708,704 in bond proceeds, which included a \$208,704 premium. The bonds were issued for a 25-year period with final maturity at December 1, 2041. The bonds will be retired from the Parks and Recreation Improvements Fund.



*The CITY of*  
**GRANDVIEW HEIGHTS**

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>				
Municipal income taxes	\$ 7,751,251	\$ 7,537,251	\$ 8,997,870	\$ 1,460,619
Property and other taxes	2,120,610	2,120,610	2,161,941	41,331
Charges for services	1,114,035	1,114,035	1,293,985	179,950
Licenses and permits	612,200	612,200	323,628	(288,572)
Fines and forfeitures	72,750	72,750	80,309	7,559
Intergovernmental	1,148,964	1,148,964	1,227,221	78,257
Investment Income	39,752	39,752	26,767	(12,985)
Contributions and donations	-	-	480	480
Other	149,364	149,364	174,969	25,605
Total revenues	<u>13,008,926</u>	<u>12,794,926</u>	<u>14,287,170</u>	<u>1,492,244</u>
<b><u>Expenditures:</u></b>				
<b>Current:</b>				
<b>General Government</b>				
Administration				
Personal services	352,509	352,904	347,209	5,695
Contractual services	72,581	77,581	66,300	11,281
Materials and supplies	10,150	10,150	8,481	1,669
Other	14,200	20,100	11,133	8,967
Total Administration	<u>449,440</u>	<u>460,735</u>	<u>433,123</u>	<u>27,612</u>
City Hall				
Contractual services	43,900	43,900	39,676	4,224
Materials and supplier	7,224	7,224	6,059	1,165
Other	232,424	193,805	180,490	13,315
Total City Hall	<u>283,548</u>	<u>244,929</u>	<u>226,225</u>	<u>18,704</u>
General Administration				
Personal services	286,039	255,644	237,046	18,598
Contractual services	147,177	200,677	192,374	8,303
Materials and supplies	37,280	59,999	59,605	394
Other	101,340	111,340	94,788	16,552
Capital outlay	30,000	30,000	6,656	23,344
Total General Administration	<u>601,836</u>	<u>657,660</u>	<u>590,469</u>	<u>67,191</u>
Economic Development				
Other	33,159	33,159	14,859	18,300
Total Economic Development	<u>33,159</u>	<u>33,159</u>	<u>14,859</u>	<u>18,300</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Civil Service</b>				
Contractual services	4,298	4,298	972	3,326
Materials and supplies	1,500	1,500	-	1,500
Other	4,500	4,500	4,266	234
<b>Total Civil Service</b>	<b>10,298</b>	<b>10,298</b>	<b>5,238</b>	<b>5,060</b>
<b>Finance</b>				
Personal services	590,374	590,374	582,809	7,565
Contractual services	58,235	73,594	72,776	818
Materials and supplies	5,921	5,421	4,186	1,235
Other	18,575	19,075	16,790	2,285
<b>Total Finance</b>	<b>673,105</b>	<b>688,464</b>	<b>676,561</b>	<b>11,903</b>
<b>Income Tax</b>				
Other	412,000	466,500	444,284	22,216
<b>Total Income Tax</b>	<b>412,000</b>	<b>466,500</b>	<b>444,284</b>	<b>22,216</b>
<b>Building</b>				
Personal services	396,247	396,247	331,660	64,587
Contractual services	389,806	381,306	327,910	53,396
Materials and supplies	6,550	8,050	5,818	2,232
Other	14,850	13,350	12,206	1,144
<b>Total Building</b>	<b>807,453</b>	<b>798,953</b>	<b>677,594</b>	<b>121,359</b>
<b>Engineering</b>				
Contractual services	58,805	88,805	77,086	11,719
<b>Total Engineering</b>	<b>58,805</b>	<b>88,805</b>	<b>77,086</b>	<b>11,719</b>
<b>Mayors Court</b>				
Personal services	124,291	123,683	121,213	2,470
Contractual services	21,100	16,692	16,691	1
Materials and supplies	3,300	3,300	2,209	1,091
Other	200	200	85	115
<b>Total Mayors Court</b>	<b>148,891</b>	<b>143,875</b>	<b>140,198</b>	<b>3,677</b>
<b>Legal</b>				
Personal services	310	310	95	215
Contractual services	173,300	247,079	247,080	(1)
Other	20,775	20,775	20,775	-
<b>Total Legal</b>	<b>194,385</b>	<b>268,164</b>	<b>267,950</b>	<b>214</b>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Legislative</b>				
Personal services	42,292	42,900	42,581	319
Contractual services	6,568	8,838	7,595	1,243
Materials and supplies	800	800	258	542
Other	6,900	6,900	5,256	1,644
Total Legislative	<u>56,560</u>	<u>59,438</u>	<u>55,690</u>	<u>3,748</u>
<b>Service Administration</b>				
Personal services	201,427	201,427	198,397	3,030
Contractual services	950	950	532	418
Materials and supplies	3,200	3,200	2,696	504
Other	25,332	25,282	23,794	1,488
Total Service Administration	<u>230,909</u>	<u>230,859</u>	<u>225,419</u>	<u>5,440</u>
<b>Unclaimed Funds</b>				
Other	465	465	465	-
Total Unclaimed Funds	<u>465</u>	<u>465</u>	<u>465</u>	<u>-</u>
<b>Total General Government</b>	<u>3,960,854</u>	<u>4,152,304</u>	<u>3,835,161</u>	<u>317,143</u>
<b>Security of Persons and Property</b>				
<b>Fire Administration</b>				
Personal services	251,344	251,344	240,181	11,163
Contractual services	39,244	39,244	32,693	6,551
Materials and supplies	8,086	8,086	4,001	4,085
Total Fire Administration	<u>298,674</u>	<u>298,674</u>	<u>276,875</u>	<u>21,799</u>
<b>Fire Prevention</b>				
Personal services	125,063	125,063	121,097	3,966
Other	6,000	6,000	2,588	3,412
Total Fire Prevention	<u>131,063</u>	<u>131,063</u>	<u>123,685</u>	<u>7,378</u>
<b>Fire Emergency Service</b>				
Personal services	1,969,735	1,969,735	1,951,236	18,499
Contractual services	48,746	48,246	27,952	20,294
Materials and supplies	43,398	48,460	40,316	8,144
Other	10,441	10,441	5,681	4,760
Total Fire Emergency Service	<u>2,072,320</u>	<u>2,076,882</u>	<u>2,025,185</u>	<u>51,697</u>
<b>Haz-Mat</b>				
Personal services	4,620	4,620	-	4,620
Materials and supplies	500	500	-	500
Other	2,000	2,000	-	2,000
Total Haz-Mat	<u>7,120</u>	<u>7,120</u>	<u>-</u>	<u>7,120</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Police Administration</b>				
Personal services	199,252	198,580	186,378	12,202
Other	600	600	105	495
<b>Total Police Administration</b>	<b>199,852</b>	<b>199,180</b>	<b>186,483</b>	<b>12,697</b>
<b>Crossing Guards</b>				
Personal services	21,185	21,857	19,438	2,419
<b>Total Crossing Guards</b>	<b>21,185</b>	<b>21,857</b>	<b>19,438</b>	<b>2,419</b>
<b>Police Patrol</b>				
Personal services	2,080,797	2,080,797	2,020,512	60,285
Contractual services	83,628	79,628	49,403	30,225
Materials and supplies	22,073	22,073	16,154	5,919
Other	29,793	33,793	29,142	4,651
<b>Total Police Patrol</b>	<b>2,216,291</b>	<b>2,216,291</b>	<b>2,115,211</b>	<b>101,080</b>
<b>Police Communications</b>				
Personal services	409,409	409,409	365,080	44,329
Contractual services	42,780	42,780	21,191	21,589
Other	700	700	227	473
<b>Total Police Communications</b>	<b>452,889</b>	<b>452,889</b>	<b>386,498</b>	<b>66,391</b>
<b>Total Security of Persons and Property</b>	<b>5,399,394</b>	<b>5,403,956</b>	<b>5,133,375</b>	<b>270,581</b>
<b>Transportation</b>				
<b>Street</b>				
Personal services	409,380	409,380	377,246	32,134
Contractual services	105,790	318,500	289,835	28,665
Materials and supplies	3,800	5,850	4,217	1,633
Other	190,674	185,674	163,011	22,663
Capital outlay	-	160,000	67,323	92,677
<b>Total Street</b>	<b>709,644</b>	<b>1,079,404</b>	<b>901,632</b>	<b>177,772</b>
<b>Total Transportation</b>	<b>709,644</b>	<b>1,079,404</b>	<b>901,632</b>	<b>177,772</b>
<b>Utility Services</b>				
<b>Sanitation</b>				
Personal services	519,309	519,309	493,842	25,467
Contractual services	161,000	173,290	152,879	20,411
Materials and supplies	2,500	8,500	8,162	338
Other	44,539	41,539	34,409	7,130
<b>Total Sanitation</b>	<b>727,348</b>	<b>742,638</b>	<b>689,292</b>	<b>53,346</b>
<b>Total Utility Services</b>	<b>727,348</b>	<b>742,638</b>	<b>689,292</b>	<b>53,346</b>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Leisure Time Activity</b>				
Parks and Recreation Administration				
Personal services	222,968	222,968	220,783	2,185
Contractual services	32,550	30,650	22,299	8,351
Materials and supplies	8,126	8,126	5,430	2,696
Other	5,800	11,200	10,644	556
Total Parks and Recreation Admin.	<u>269,444</u>	<u>272,944</u>	<u>259,156</u>	<u>13,788</u>
General Recreation				
Personal services	115,729	115,729	110,210	5,519
Materials and supplies	5,700	5,700	4,482	1,218
Other	43,350	51,350	44,686	6,664
Total General Recreation	<u>164,779</u>	<u>172,779</u>	<u>159,378</u>	<u>13,401</u>
Senior Center				
Personal services	108,772	102,406	97,046	5,360
Materials and supplies	1,100	1,100	1,001	99
Other	8,950	8,950	6,034	2,916
Total Senior Center	<u>118,822</u>	<u>112,456</u>	<u>104,081</u>	<u>8,375</u>
Parks Maintenance				
Personal services	303,683	310,049	305,209	4,840
Materials and supplies	36,250	41,250	39,458	1,792
Other	53,000	53,000	52,221	779
Total Parks Maintenance	<u>392,933</u>	<u>404,299</u>	<u>396,888</u>	<u>7,411</u>
Pool				
Personal services	13,277	13,277	13,046	231
Contractual services	125,000	125,000	123,246	1,754
Materials and supplies	17,000	12,000	10,730	1,270
Other	25,500	14,000	13,989	11
Total Pool	<u>180,777</u>	<u>164,277</u>	<u>161,011</u>	<u>3,266</u>
Total Leisure Time Activity	<u>1,126,755</u>	<u>1,126,755</u>	<u>1,080,514</u>	<u>46,241</u>
Total Expenditures	11,923,995	12,505,057	11,639,974	865,083
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,084,931	289,869	2,647,196	2,357,327

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b>Other Financing Sources (Uses):</b>				
Sale of Assets	-	-	4,950	4,950
Insurance Recoveries	-	-	18,975	18,975
Transfer Out	(1,889,500)	(4,255,325)	(4,255,325)	-
Advances In	110,750	111,000	111,000	-
Advances Out	-	(3,543,478)	(3,543,478)	-
Total Other Financing Sources (Uses)	<u>(1,778,750)</u>	<u>(7,687,803)</u>	<u>(7,663,878)</u>	<u>23,925</u>
Net Change in Fund Balance	(693,819)	(7,397,934)	(5,016,682)	2,381,252
Fund Balances at Beginning of Year	8,434,711	8,434,711	8,434,711	-
Prior Year Encumbrances Appropriated	<u>295,530</u>	<u>295,530</u>	<u>295,530</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 8,036,422</u>	<u>\$ 1,332,307</u>	<u>\$ 3,713,559</u>	<u>\$ 2,381,252</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**STREET CONSTRUCTION, MAINTENANCE AND REPAIR FUND**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>				
Intergovernmental	\$ 255,000	\$ 255,000	\$ 266,818	\$ 11,818
Investment income	5,400	5,400	17,824	12,424
Total revenues	<u>260,400</u>	<u>260,400</u>	<u>284,642</u>	<u>24,242</u>
<b><u>Expenditures:</u></b>				
Transportation				
Contractual services	405,394	429,194	417,208	11,986
Materials and supplies	32,500	32,500	21,016	11,484
Other operating	64,000	64,000	60,234	3,766
Capital outlay	634,084	7,259,084	6,857,583	401,501
Debt service				
Loan payments	58,501	58,501	58,500	1
Bond issuance costs	-	102,000	-	102,000
Total expenditures	<u>1,194,479</u>	<u>7,945,279</u>	<u>7,414,541</u>	<u>530,738</u>
Excess of expenditures over revenues	(934,079)	(7,684,879)	(7,129,899)	554,980
<b><u>Other Financing Sources (Uses):</u></b>				
Bond issuance	-	6,727,000	6,630,000	97,000
Transfers in	250,000	250,000	250,000	-
Advances out	(107,500)	(107,500)	(107,500)	-
Total other financing sources (uses)	<u>142,500</u>	<u>6,869,500</u>	<u>6,772,500</u>	<u>97,000</u>
Net change in fund balance	(791,579)	(815,379)	(357,399)	651,980
Fund balance - January 1	344,296	344,296	344,296	-
Prior year encumbrances appropriated	956,978	956,978	956,978	-
Fund balance - December 31	<u>\$ 509,695</u>	<u>\$ 485,895</u>	<u>\$ 943,875</u>	<u>\$ 651,980</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-**  
**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**GRANDVIEW YARD TIF FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Original Budget	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>				
Municipal income taxes	\$ -	\$ 254,160	\$ 254,160	\$ -
Payments in lieu of taxes	1,457,816	1,549,253	1,549,253	-
Total revenues	<u>1,457,816</u>	<u>1,803,413</u>	<u>1,803,413</u>	<u>-</u>
<b><u>Expenditures:</u></b>				
Economic Development				
Capital outlay	2,210	2,210	2,210	-
Other	1,672,816	2,027,634	2,010,890	16,744
Total expenditures	<u>1,675,026</u>	<u>2,029,844</u>	<u>2,013,100</u>	<u>16,744</u>
Excess of Expenditures Over Revenues	(217,210)	(226,431)	(209,687)	16,744
<b><u>Other Financing Sources:</u></b>				
Transfer in	215,000	215,000	215,000	-
Total other financing sources	<u>215,000</u>	<u>215,000</u>	<u>215,000</u>	<u>-</u>
Net change in fund balance	(2,210)	(11,431)	5,313	16,744
Fund balance - January 1	9,212	9,212	9,212	-
Prior Year Encumbrances Appropriated	2,210	2,210	2,210	-
Fund balance - December 31	<u>\$ 9,212</u>	<u>\$ (9)</u>	<u>\$ 16,735</u>	<u>\$ 16,744</u>



*The CITY of*  
GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2016

**NOTE 1 - BUDGETARY PROCESS**

The City follows procedures prescribed by State law in establishing the budgetary data reflected in the financial statements as follows:

- (1) The City must submit a tax budget of estimated cash receipts and disbursements for all funds to the County Budget Commission by July 20 of each year for the following year, January 1 through December 31.
- (2) The County Budget Commission certifies its actions by September 1 and issues an Official Certificate of Estimated Resources, (the "Certificate") limiting the maximum amount the City may expend from a given fund during the year to the estimated resources available.
- (3) About January 1, the Certificate is amended to reflect the actual unencumbered balances from the preceding year. The City must prepare its appropriations so that the total contemplated expenditures from any fund will not exceed the amount stated in the initial or amended Certificate.
- (4) A temporary appropriation measure may be passed to control cash disbursements for the period January 1 through March 31. Before April 1, a permanent appropriation measure must be passed for the period January 1 through December 31. The budget identifies specific expenditure amounts by object for each division within each fund.
- (5) Unencumbered appropriations lapse at year end. State Statute provides that no contract, agreement or other obligation involving the expenditure of money shall be entered into unless the Director of Finance first certifies that the money required for such contract, agreement, obligation or expenditure is in the treasury, or is anticipated to come into the treasury, before the maturity of such contract.
- (6) The City adopts budgets amendments for all governmental funds and budget is approved by City Council.

The Finance Director acts as budget officer for the City and submits a proposed operating budget to the City Council on an annual basis. Public hearings are held to obtain taxpayer comments. The Council enacts the budget through passage of an ordinance. The appropriation ordinance controls expenditures at the object level. Council can amend the budget at functional expense lines, through the passage of supplemental ordinances. Management can amend appropriations below this level without council approval. Supplemental appropriations to the original appropriations ordinance were made during the year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary control in the governmental funds. Encumbrances outstanding at year end are reported as an assigned fund balance, since they do not constitute expenditures or liabilities.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

**NOTE 1 - BUDGETARY PROCESS (Continued)**

While reporting financial position, results of operations and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the budgetary basis, as provided by law, is based upon accounting for certain transactions on a basis of cash receipts and disbursements. Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Budget (Non-GAAP) Basis are presented on the budgetary basis in the Required Supplementary Information to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

- (1) Revenues are recorded when received in cash (budget) as opposed to when they are both measurable and available (GAAP).
- (2) Expenditures are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
- (3) Encumbrances are recorded as the equivalent of expenditures (budget) as opposed to an assignment of fund balance (GAAP).
- (4) Due to the implementation of GASB 54, some funds were reclassified to the General Fund. These funds are not required to be included in the General Fund Budgetary Schedule. Therefore, the activity from these funds is excluded with an adjustment for their change in fund balance.

Reconciliation of the major differences between the budget basis and GAAP basis are as follows:

**Net Change in Fund Balance**

	General Fund	Street Construction Maintenance and Repair	Grandview Yard TIF Fund
Budget Basis	\$ (5,016,682)	\$ (357,399)	\$ 5,313
Tax Abatement Fund Change	(262,535)	-	-
Accrued Leave Reserve Fund Change	73,075	-	-
Unclaimed Funds Change	(465)		
Net Adjustment for Revenue Accruals	416,086	1,152	-
Net Adjustment for Expenditure Accruals	159,431	(1,517,941)	1
Net Adjustment for Other Financing Sources/Uses	3,647,478	1,792,113	-
Adjustment for Encumbrances	613,863	4,579,613	-
GAAP Basis	<u>\$ (369,749)</u>	<u>\$ 4,497,538</u>	<u>\$ 5,314</u>

**City of Grandview Heights, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net Pension (Asset)/Liability**  
**Ohio Public Employees Retirement System**

**Last Three Years (1)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension (Asset)/Liability			
Traditional Plan	0.018982%	0.018022%	0.018022%
Combined Plan	0.004650%	0.000000%	0.000000%
City's Proportionate Share of the Net Pension (Asset)/Liability			
Traditional Plan	\$ 3,287,922	\$ 2,173,655	\$ 2,124,559
Combined Plan	\$ (2,263)	\$ -	\$ -
City's Covered-Employee Payroll	\$ 2,507,479	\$ 2,301,250	\$ 2,112,900
City's Proportionate Share of the Net Pension (Asset)/Liability as a Percentage of its Covered-Employee Payroll	131.03%	94.46%	100.55%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability			
Traditional Plan	81.08%	86.45%	86.36%
Combined Plan	116.90%	114.83%	104.56%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior fiscal year-end.

**City of Grandview Heights, Ohio**  
**Required Supplementary Information**  
**Schedule of City's Proportionate Share of the Net Pension Liability**  
**Ohio Police and Fire Pension Fund**

**Last Three Years (1)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
City's Proportion of the Net Pension Liability	0.150834%	0.1485849%	0.1485849%
City's Proportionate Share of the Net Pension Liability	\$ 9,703,257	\$ 7,697,317	\$ 7,236,551
City's Covered-Employee Payroll	\$ 3,041,933	\$ 2,957,108	\$ 2,815,254
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	318.98%	260.30%	257.05%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.77%	72.20%	73.00%

(1) Information prior to 2013 is not available.

Amounts presented as of the City's measurement date, which is the prior fiscal year-end.

**City of Grandview Heights, Ohio**  
**Required Supplementary Information**  
**Schedule of City Contributions**  
**Ohio Public Employees Retirement System**

**Last Four Years (1)**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 323,671	\$ 300,898	\$ 276,150	\$ 274,677
Contributions in relation to the contractually required contribution	\$ 323,671	\$ 300,898	\$ 276,150	\$ 274,677
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,697,259	\$ 2,507,479	\$ 2,301,250	\$ 2,112,900
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	13.00%

(1) Information prior to 2013 is not available.

**City of Grandview Heights, Ohio  
Required Supplementary Information  
Schedule of City Contributions  
Ohio Police and Fire Pension Fund**

**Last Ten Fiscal Years**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually Required Contribution	\$ 684,607	\$ 648,880	\$ 624,758	\$ 514,860	\$ 374,226	\$ 380,904	\$ 390,031	\$ 385,327	\$ 354,302	\$ 372,056
Contributions in relation to the contractually required contribution	\$ 684,607	\$ 648,880	\$ 624,758	\$ 514,860	\$ 374,226	\$ 380,904	\$ 390,031	\$ 385,327	\$ 354,302	\$ 372,056
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 3,219,023	\$ 3,041,933	\$ 2,957,108	\$ 2,815,254	\$ 2,618,697	\$ 2,551,056	\$ 2,624,191	2,592,542	2,383,801	2,503,252
Contributions as a percentage of covered-employee payroll	21.27%	21.33%	21.13%	18.29%	14.29%	14.93%	14.86%	14.86%	14.86%	14.86%



*The CITY of*  
**GRANDVIEW HEIGHTS**

**SUPPLEMENTARY INFORMATION**

CITY OF GRANDVIEW HEIGHTS, OHIO  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**NONMAJOR SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for all specific financial resources (other than major capital projects) that are legally restricted for specified expenditure purposes. The following are the special revenue funds which the City operates:

***State Highway Improvement Fund***

This fund accounts for the portion of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

***Police Pension Fund***

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for police disability and pension benefits.

***Fire Pension Fund***

This fund accounts for property taxes levied and other monies for the payment of the accrued liability for fire disability and pension benefits.

***Motor Vehicle Permissive Tax Fund***

This fund accounts for local vehicle license fees designated for the maintenance of streets in the City.

***Law Enforcement Trust Fund***

This fund accounts for proceeds from the sale of contraband that are restricted to subsidize law enforcement efforts.

***DUI Enforcement and Education Fund***

This fund accounts for fees and fines to be used to enforce the DUI law and informing the public of laws governing the operation of a vehicle while under the influence of alcohol, the dangers of the operation of a vehicle under the influence of alcohol, and other information relating to operation of a vehicle under the influence of alcohol and the consumption of alcoholic beverages.

***Mayor's Court Computer Fund***

This fund accounts for additional court fees designated for the computerization of the Mayor's court and the acquisition and maintenance of legal research services for the Mayor's court.

***Community Events and Projects Fund***

This fund accounts for revenues and expenses associated with community events such as sporting events, festivals, parades, concerts and entertainment to promote the quality of life in the City for its residents and visitors. This fund is classified as part of the General Fund for financial statement presentation, in accordance with GASB 54.

***Tax Abatement Fund***

This fund accounts for the distribution of income tax incentive payments. This fund is classified as part of the General Fund for financial statement presentation, in accordance with GASB 54.

***Fire EMS Grant Fund***

This fund accounts for state and federal grants awarded to the City for the purpose of supporting and enhancing the City's fire and emergency medical services.



CITY OF GRANDVIEW HEIGHTS, OHIO  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

***Grandview Center Improvement Fund***

This fund accounts for donations and contributions used for maintenance and improvements of the City's senior center facility.

***Wyman Woods Fund***

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the Wyman Woods Park in the City.

***Municipal Swimming Pool Fund***

This fund accounts for monies received through charitable donations and fees charged for use of the City's pool which are designated for the maintenance and improvement of the pool in the City.

***Convention and Visitor's Bureau Fund***

This fund accounts for monies received from a City-imposed hotel bed tax, a portion of which is designated for the promotion of tourism in the City.

***Safe Routes to School***

This fund accounts for the receipts and expenses related to grant from ODPT to improve infrastructure in accordance with the City's School Travel Plan.

***JEDZ CEDA Fund***

This fund accounts for the receipts and expenses related to the Joint Economic Development Zone Cooperative Economic Development Agreement with Clinton Township. This fund is classified as part of the General Fund for financial statement presentation, in accordance with GASB 54.

***CMAQ Improvement Grant Fund***

This fund accounts for monies received through the Ohio Department of Transportation which are designated for the Congestion Mitigation and Air Quality Improvement Program.

***Coronary Care Fund***

This fund accounts for monies received through charitable donations which are designated for the acquisition and maintenance of the equipment related to the EMS cardiac care functions.

***Youth DARE Trust Fund***

This fund accounts for monies received through charitable donations which are designated for the support of the Drug Abuse Resistance Educations (DARE) program in the City.

***C. Ray Buck Sports Park Fund***

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the C. Ray Buck Sports Park in the City.

***Pierce Field Park Trust***

This fund accounts for monies received through charitable donations which are designated for the maintenance and improvement of the Pierce Field Park in the City.

***Accrued Leave Reserve Fund***

This fund accounts for resources accumulated for the payment of accumulated sick leave and vacation leave and for payments in lieu of taking compensatory time off, upon the termination of employment or retirement of employees of the City. This fund is classified as part of the General Fund for financial statement presentation, in accordance with GASB 54.

CITY OF GRANDVIEW HEIGHTS, OHIO  
FUND DESCRIPTIONS - GOVERNMENTAL FUNDS

**NONMAJOR DEBT SERVICE FUND**

The debt service fund is used to account for the accumulation of resources and the payments of general obligation principal, interest, and related costs.

***Debt Service Fund***

This fund accounts for the resources that are used for the payment of principal, interest, and other fiscal charges on debt.

**NONMAJOR CAPITAL PROJECTS FUNDS**

The capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary fund types. Following is a description of the capital project funds:

***General Improvement Fund***

This fund accounts for revenues and expenditures for capital improvements.

***Sewer Improvement Fund***

This fund accounts for revenues and expenditures for sewer improvements.

***Clean Ohio Remediation Funds 5***

This fund accounts for revenues and expenditures related to the rehabilitation and development of public and private real estate at the Grandview Yard.

***Clean Ohio Remediation Funds 7***

This fund accounts for revenues and expenditures for the cleanup and revitalization of private real estate at the Grandview Yard.

***Grandview Yard Infrastructure Fund***

This fund accounts for revenues and expenditures for infrastructure projects at Grandview Yard.

***Grandview Yard Infrastructure Phase IV Fund***

This fund accounts for revenues and expenditures of the OPWC project relating to phase IV of the Grandview Yard Infrastructure project.

***Northwest and First Improvement Fund***

This fund accounts for revenues and expenditures for infrastructure projects at Northwest and First.

**COMBINING STATEMENTS AND INDIVIDUAL FUND SCHEDULES**

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
AS OF DECEMBER 31, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and investments	\$ 301,493	\$ 7,026	\$ 1,743,031	\$ 2,051,550
Receivables (net of allowances):				
Income taxes	-	-	112,133	112,133
Property and other taxes	155,716	-	-	155,716
Accounts	460	-	44,601	45,061
Intergovernmental	56,931	-	381,050	437,981
Total assets	<u>\$ 514,600</u>	<u>\$ 7,026</u>	<u>\$ 2,280,815</u>	<u>\$ 2,802,441</u>
<b>Liabilities:</b>				
Accounts payable	\$ 56,391	\$ -	\$ 404,589	\$ 460,980
Due to other governments	-	-	10,109	10,109
Retainage payable	-	-	119,160	119,160
Total liabilities	<u>56,391</u>	<u>-</u>	<u>533,858</u>	<u>590,249</u>
<b>Deferred Inflows of Resources:</b>				
Property and other local taxes	135,254		-	135,254
Unavailable revenue	18,069		172,588	190,657
Total deferred inflows of resources	<u>153,323</u>		<u>172,588</u>	<u>325,911</u>
<b>Fund Balances:</b>				
Restricted:				
Debt Service	-	7,026	-	7,026
Street construction, maintenance and repairs	135,077	-	-	135,077
Fire/EMS	6,012	-	-	6,012
Parks and recreation	70,174	-	-	70,174
Court computer	23,141	-	-	23,141
Law enforcement	26,824	-	-	26,824
Other purposes	43,658	-	-	43,658
Committed:				
Capital projects	-	-	1,838,582	1,838,582
Unassigned	-	-	(264,213)	(264,213)
Total fund balances	<u>304,886</u>	<u>7,026</u>	<u>1,574,369</u>	<u>1,886,281</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 514,600</u>	<u>\$ 7,026</u>	<u>\$ 2,280,815</u>	<u>\$ 2,802,441</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Municipal income taxes	\$ -	\$ -	\$ 550,146	\$ 550,146
Property and other taxes	230,170	-	-	230,170
Charges for services	-	-	383,869	383,869
Fines and forfeitures	8,039	-	-	8,039
Intergovernmental	2,033,167	-	1,478,405	3,511,572
Investment income	378	-	58	436
Contributions and donations	9,457	-	-	9,457
Other	4,400	-	6,158	10,558
Total revenues	<u>2,285,611</u>	<u>-</u>	<u>2,418,636</u>	<u>4,704,247</u>
<b>Expenditures:</b>				
Current:				
General government	76,464	-	61,633	138,097
Security of persons and property	161,798	-	-	161,798
Transportation	44,780	-	-	44,780
Leisure time activities	7,813	-	-	7,813
Utility services	-	-	31,274	31,274
Capital outlay	1,240,777	-	3,210,584	4,451,361
Debt service:				
Principal retirement	22,165	-	205,196	227,361
Interest and fiscal charges	-	65,183	22,104	87,287
Total expenditures	<u>1,553,797</u>	<u>65,183</u>	<u>3,530,791</u>	<u>5,149,771</u>
Excess (deficiency) of revenues over (under) expenditures	731,814	(65,183)	(1,112,155)	(445,524)
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	32	-	8,203	8,235
Issuance of loan	-	-	775,744	775,744
Proceeds from inception of capital lease	-	-	234,018	234,018
Premium on bond issuance	-	45,614	-	45,614
Transfers in	-	19,570	1,116,138	1,135,708
Total other financing sources (uses)	<u>32</u>	<u>65,184</u>	<u>2,134,103</u>	<u>2,199,319</u>
Net change in fund balances	731,846	1	1,021,948	1,753,795
Fund balance at beginning of year	(426,960)	7,025	552,421	132,486
Fund balance at end of year	<u>\$ 304,886</u>	<u>\$ 7,026</u>	<u>\$ 1,574,369</u>	<u>\$ 1,886,281</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
AS OF DECEMBER 31, 2016**

	State Highway Improvement	Police Pension	Fire Pension	Motor Vehicle Permissive Tax	Law Enforcement
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 34,788	\$ 1,871	\$ 1,871	\$ 111,266	\$ 15,546
Receivables (net of allowances):					
Property and other taxes	-	73,744	73,744	-	-
Accounts	-	-	-	-	-
Intergovernmental	8,779	4,300	4,300	1,453	-
Total assets	<u>\$ 43,567</u>	<u>\$ 79,915</u>	<u>\$ 79,915</u>	<u>\$ 112,719</u>	<u>\$ 15,546</u>
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 15,692	\$ -
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,692</u>	<u>-</u>
<b>Deferred Inflows of Resources:</b>					
Property and other local taxes	-	67,627	67,627	-	-
Unavailable revenue	5,517	6,276	6,276	-	-
Total deferred inflows of resources	<u>5,517</u>	<u>73,903</u>	<u>73,903</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Restricted:					
Street construction, maintenance and repairs	38,050	-	-	97,027	-
Fire/EMS	-	-	6,012	-	-
Parks and recreation	-	-	-	-	-
Court computer	-	-	-	-	-
Law enforcement	-	6,012	-	-	15,546
Other purposes	-	-	-	-	-
Total fund balances	<u>38,050</u>	<u>6,012</u>	<u>6,012</u>	<u>97,027</u>	<u>15,546</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 43,567</u>	<u>\$ 79,915</u>	<u>\$ 79,915</u>	<u>\$ 112,719</u>	<u>\$ 15,546</u>

DUI Enforcement and Education	Mayor's Court Computer	Fire/EMS Grant	Grandview Center Improvement	Wyman Woods	Municipal Swimming Pool	Convention and Visitors Bureau	Safe Routes to School
\$ 4,457	\$ 22,681	\$ -	\$ 10,723	\$ 1,922	\$ 12,568	\$ 23,027	\$ -
-	-	-	-	-	-	8,228	-
-	460	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 4,457</u>	<u>\$ 23,141</u>	<u>\$ -</u>	<u>\$ 10,723</u>	<u>\$ 1,922</u>	<u>\$ 12,568</u>	<u>\$ 31,255</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,457	23,141	-	-	1,922	12,568	-	-
-	-	-	-	-	-	-	-
-	-	-	10,723	-	-	31,255	-
<u>4,457</u>	<u>23,141</u>	<u>-</u>	<u>10,723</u>	<u>1,922</u>	<u>12,568</u>	<u>31,255</u>	<u>-</u>
<u>\$ 4,457</u>	<u>\$ 23,141</u>	<u>\$ -</u>	<u>\$ 10,723</u>	<u>\$ 1,922</u>	<u>\$ 12,568</u>	<u>\$ 31,255</u>	<u>\$ -</u>

(Continued)

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
AS OF DECEMBER 31, 2016**

	CMAQ Improvement Grant	Coronary Care	Youth DARE Trust	C. Ray Buck Sports Park	Pierce Field Park Trust
<b>Assets:</b>					
Equity in pooled cash and investments	\$ -	\$ 1,680	\$ 809	\$ 1,362	\$ 56,922
Receivables (net of allowances):					
Property and other taxes	-	-	-	-	-
Accounts	-	-	-	-	-
Intergovernmental	38,099	-	-	-	-
Total assets	<u>\$ 38,099</u>	<u>\$ 1,680</u>	<u>\$ 809</u>	<u>\$ 1,362</u>	<u>\$ 56,922</u>
<b>Liabilities:</b>					
Accounts payable	\$ 38,099	\$ -	\$ -	\$ -	\$ 2,600
Total liabilities	<u>38,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,600</u>
<b>Deferred Inflows of Resources:</b>					
Property and other local taxes	-	-	-	-	-
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances:</b>					
Restricted:					
Street construction, maintenance and repairs	-	-	-	-	-
Fire/EMS	-	-	-	-	-
Parks and recreation	-	-	-	1,362	54,322
Court computer	-	-	-	-	-
Law enforcement	-	-	809	-	-
Other purposes	-	1,680	-	-	-
Total fund balances	<u>-</u>	<u>1,680</u>	<u>809</u>	<u>1,362</u>	<u>54,322</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 38,099</u>	<u>\$ 1,680</u>	<u>\$ 809</u>	<u>\$ 1,362</u>	<u>\$ 56,922</u>



Non-major  
Special Revenue  
Funds

---

\$ 301,493

155,716

460

56,931

---

\$ 514,600

---

\$ 56,391

---

56,391

135,254

18,069

---

153,323

135,077

6,012

70,174

23,141

26,824

43,658

---

304,886

---

\$ 514,600

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**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	State Highway Improvement	Police Pension	Fire Pension	Motor Vehicle Permissive Tax	Law Enforcement
<b>Revenues:</b>					
Property and other taxes	\$ -	\$ 72,636	\$ 72,636	\$ -	\$ -
Fines and forfeitures	-	-	-	-	1,382
Intergovernmental	21,728	8,655	8,655	17,400	-
Investment income	98	-	-	280	-
Contributions and donations	-	-	-	-	2,500
Other	-	-	-	-	4,400
Total revenues	<u>21,826</u>	<u>81,291</u>	<u>81,291</u>	<u>17,680</u>	<u>8,282</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Security of persons and property	-	77,761	77,761	-	5,218
Transportation	-	-	-	44,780	-
Leisure time activities	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	22,165	-	-	-	-
Total expenditures	<u>22,165</u>	<u>77,761</u>	<u>77,761</u>	<u>44,780</u>	<u>5,218</u>
Excess (deficiency) of revenues over (under) expenditures	(339)	3,530	3,530	(27,100)	3,064
<b>Other Financing Sources (Uses):</b>					
Sale of capital assets	-	-	-	-	32
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32</u>
Net change in fund balances	(339)	3,530	3,530	(27,100)	3,096
Fund balance at beginning of year	38,389	2,482	2,482	124,127	12,450
Fund balance at end of year	<u>\$ 38,050</u>	<u>\$ 6,012</u>	<u>\$ 6,012</u>	<u>\$ 97,027</u>	<u>\$ 15,546</u>

DUI Enforcement and Education	Mayor's Court Computer	Fire/EMS Grant	Grandview Center Improvement	Wyman Woods	Municipal Swimming Pool	Convention and Visitors Bureau	Safe Routes to School
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,898	\$ -
2,528	4,129	-	-	-	-	-	-
-	-	1,076	-	-	-	-	14,747
-	-	-	-	-	-	-	-
-	-	-	3,601	-	1,210	-	-
-	-	-	-	-	-	-	-
<u>2,528</u>	<u>4,129</u>	<u>1,076</u>	<u>3,601</u>	<u>-</u>	<u>1,210</u>	<u>84,898</u>	<u>14,747</u>
-	4,598	-	-	-	-	65,000	6,866
530	-	189	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	2,090	-	-	-	-
-	-	-	-	-	-	-	-
<u>530</u>	<u>4,598</u>	<u>189</u>	<u>2,090</u>	<u>-</u>	<u>-</u>	<u>65,000</u>	<u>6,866</u>
1,998	(469)	887	1,511	-	1,210	19,898	7,881
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,998	(469)	887	1,511	-	1,210	19,898	7,881
2,459	23,610	(887)	9,212	1,922	11,358	11,357	(7,881)
<u>\$ 4,457</u>	<u>\$ 23,141</u>	<u>\$ -</u>	<u>\$ 10,723</u>	<u>\$ 1,922</u>	<u>\$ 12,568</u>	<u>\$ 31,255</u>	<u>\$ -</u>

(Continued)

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	CMAQ Improvement Grant	Coronary Care	Youth DARE Trust	C. Ray Buck Sports Park	Pierce Field Park Trust
<b>Revenues:</b>					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	-
Intergovernmental	1,960,906	-	-	-	-
Investment income	-	-	-	-	-
Contributions and donations	-	-	-	-	2,146
Other	-	-	-	-	-
Total revenues	<u>1,960,906</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,146</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Security of persons and property	-	-	339	-	-
Transportation	-	-	-	-	-
Leisure time activities	-	-	-	-	7,813
Capital outlay	1,235,245	-	-	3,442	-
Debt service:					
Principal retirement	-	-	-	-	-
Total expenditures	<u>1,235,245</u>	<u>-</u>	<u>339</u>	<u>3,442</u>	<u>7,813</u>
Excess (deficiency) of revenues over (under) expenditures	725,661	-	(339)	(3,442)	(5,667)
<b>Other Financing Sources (Uses):</b>					
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	725,661	-	(339)	(3,442)	(5,667)
Fund balance at end of year	<u>(725,661)</u>	<u>1,680</u>	<u>1,148</u>	<u>4,804</u>	<u>59,989</u>
	<u>\$ -</u>	<u>\$ 1,680</u>	<u>\$ 809</u>	<u>\$ 1,362</u>	<u>\$ 54,322</u>

Non-major  
Special Revenue  
Funds

\$ 230,170  
8,039  
2,033,167  
378  
9,457  
4,400  
2,285,611

76,464  
161,798  
44,780  
7,813  
1,240,777

22,165  
1,553,797

731,814

32  
32

731,846

(426,960)  
\$ 304,886

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**STATE HIGHWAY IMPROVEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 20,500	\$ 21,634	\$ 1,134
Investment income	1,200	98	(1,102)
Total revenues	<u>21,700</u>	<u>21,732</u>	<u>32</u>
<b><u>Expenditures:</u></b>			
Debt service			
Principal retirement	<u>22,165</u>	<u>22,165</u>	<u>-</u>
Total expenditures	<u>22,165</u>	<u>22,165</u>	<u>-</u>
Net change in fund balance	(465)	(433)	32
Fund balance - January 1	<u>35,221</u>	<u>35,221</u>	<u>-</u>
Fund balance - December 31	<u>\$ 34,756</u>	<u>\$ 34,788</u>	<u>\$ 32</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**POLICE PENSION**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Property and other taxes	\$ 69,620	\$ 70,952	\$ 1,332
Intergovernmental	8,253	8,655	402
Total revenues	<u>77,873</u>	<u>79,607</u>	<u>1,734</u>
<b><u>Expenditures:</u></b>			
Security of Persons and Property			
Personal services	76,673	76,673	-
Other	1,200	1,088	112
Total expenditures	<u>77,873</u>	<u>77,761</u>	<u>112</u>
Net change in fund balance	-	1,846	1,846
Fund balance - January 1	25	25	-
Fund balance - December 31	<u>\$ 25</u>	<u>\$ 1,871</u>	<u>\$ 1,846</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**FIRE PENSION**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>			
Property and other local taxes	\$ 69,620	\$ 70,952	\$ 1,332
Intergovernmental	8,253	8,655	402
Total revenues	<u>77,873</u>	<u>79,607</u>	<u>1,734</u>
<b><u>Expenditures:</u></b>			
Security of Persons and Property			
Personal services	76,673	76,673	-
Other	1,200	1,088	112
Total expenditures	<u>77,873</u>	<u>77,761</u>	<u>112</u>
Net change in fund balance	-	1,846	1,846
Fund balance - January 1	25	25	-
Fund balance - December 31	<u>\$ 25</u>	<u>\$ 1,871</u>	<u>\$ 1,846</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**MOTOR VEHICLE PERMISSIVE TAX**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 15,000	\$ 17,423	\$ 2,423
Investment income	2,000	280	(1,720)
Total revenues	<u>17,000</u>	<u>17,703</u>	<u>703</u>
<b><u>Expenditures:</u></b>			
Transportation			
Materials and supplies	<u>45,000</u>	<u>44,088</u>	<u>912</u>
Total expenditures	<u>45,000</u>	<u>44,088</u>	<u>912</u>
Net change in fund balance	(28,000)	(26,385)	1,615
Fund balance - January 1	<u>122,651</u>	<u>122,651</u>	-
Fund balance - December 31	<u>\$ 94,651</u>	<u>\$ 96,266</u>	<u>\$ 1,615</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**LAW ENFORCEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Fines and forfeitures	\$ -	\$ 1,382	\$ 1,382
Contributions and donations	-	2,500	2,500
Other revenue	-	6,000	6,000
Total revenues	<u>-</u>	<u>9,882</u>	<u>9,882</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
Security of Persons and Property			
Materials and supplies	5,691	5,218	473
Total expenditures	<u>5,691</u>	<u>5,218</u>	<u>473</u>
Excess of Expenditures (Over)/Under Revenues	(5,691)	4,664	10,355
<b><u>Other Financing Sources:</u></b>			
Sale of capital assets	-	32	32
Total Other Financing Sources	<u>-</u>	<u>32</u>	<u>32</u>
Net change in fund balance	(5,691)	4,696	10,387
Fund balance - January 1	10,850	10,850	-
Fund balance - December 31	<u>\$ 5,159</u>	<u>\$ 15,546</u>	<u>\$ 10,387</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**DUI EDUCATION AND ENFORCEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Fines and forfeitures	\$ 600	\$ 2,944	\$ 2,344
Total revenues	<u>600</u>	<u>2,944</u>	<u>2,344</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
Security of Persons and Property			
Capital Outlay	<u>2,000</u>	<u>555</u>	<u>1,445</u>
Total expenditures	<u>2,000</u>	<u>555</u>	<u>1,445</u>
Net change in fund balance	(1,400)	2,389	3,789
Fund balance - January 1	<u>2,068</u>	<u>2,068</u>	<u>-</u>
Fund balance - December 31	<u>\$ 668</u>	<u>\$ 4,457</u>	<u>\$ 3,789</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**MAYOR’S COURT COMPUTER**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Fines and forfeitures	\$ 3,000	\$ 3,984	\$ 984
Total revenues	<u>3,000</u>	<u>3,984</u>	<u>984</u>
<b><u>Expenditures:</u></b>			
General Government			
Contractual services	4,000	3,760	240
Materials and supplies	1,500	838	662
Total expenditures	<u>5,500</u>	<u>4,598</u>	<u>902</u>
Net change in fund balance	(2,500)	(614)	1,886
Fund balance - January 1	<u>23,295</u>	<u>23,295</u>	<u>-</u>
Fund balance - December 31	<u>\$ 20,795</u>	<u>\$ 22,681</u>	<u>\$ 1,886</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**COMMUNITY EVENTS AND PROJECTS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Contributions and donations	\$ -	\$ 600	\$ 600
<b>Total Revenues</b>	<u>-</u>	<u>600</u>	<u>600</u>
<b><u>Expenditures:</u></b>			
Leisure Time Activity			
Other operating	\$ 600	\$ 475	\$ 125
<b>Total expenditures</b>	<u>600</u>	<u>475</u>	<u>125</u>
Net change in fund balance	(600)	125	725
Fund balance - January 1	697	697	-
Fund balance - December 31	<u>\$ 97</u>	<u>\$ 822</u>	<u>\$ 725</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**TAX ABATEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>			
Municipal income taxes	\$ 633,000	\$ 711,761	\$ 78,761
Property and other taxes	-	5,653	5,653
Charges for services	2,500	3,228	728
Total revenues	<u>635,500</u>	<u>720,642</u>	<u>85,142</u>
<b><u>Expenditures:</u></b>			
General Government			
Other	825,200	825,200	-
Total expenditures	<u>825,200</u>	<u>825,200</u>	<u>-</u>
Net change in fund balance	(189,700)	(104,558)	85,142
Fund balance - January 1	126,548	126,548	-
Prior Year Encumbrances Appropriated	162,200	162,200	-
Fund balance - December 31	<u>\$ 99,048</u>	<u>\$ 184,190</u>	<u>\$ 85,142</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**FIRE EMS GRANT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 3,500	\$ 3,500	\$ -
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>-</u>
<b><u>Expenditures:</u></b>			
Security of Persons and Property			
Materials and supplies	189	189	-
Total expenditures	<u>189</u>	<u>189</u>	<u>-</u>
Excess of revenues over expenditures	3,311	3,311	-
<b><u>Other Financing Sources (Uses):</u></b>			
Advance out	-	(3,500)	(3,500)
Total other financing sources (uses)	<u>-</u>	<u>(3,500)</u>	<u>(3,500)</u>
Net change in fund balance	3,311	(189)	(3,500)
Fund balance - January 1	189	189	-
Fund balance - December 31	<u>\$ 3,500</u>	<u>\$ -</u>	<u>\$ (3,500)</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**GRANDVIEW CENTER IMPROVEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Contributions and donations	\$ 1,500	\$ 3,602	\$ 2,102
Total revenues	<u>1,500</u>	<u>3,602</u>	<u>2,102</u>
<b><u>Expenditures:</u></b>			
Public Health and Welfare			
Capital outlay	6,000	2,090	3,910
Total expenditures	<u>6,000</u>	<u>2,090</u>	<u>3,910</u>
Net change in fund balance	(4,500)	1,512	6,012
Fund balance - January 1	9,211	9,211	-
Fund balance - December 31	<u>\$ 4,711</u>	<u>\$ 10,723</u>	<u>\$ 6,012</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**WYMAN WOODS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
Leisure Time Activity			
Capital outlay	\$ 1,922	\$ -	\$ 1,922
Total expenditures	<u>1,922</u>	<u>-</u>	<u>1,922</u>
Net change in fund balance	(1,922)	-	1,922
Fund balance - January 1	\$ 1,922	\$ 1,922	\$ -
Fund balance - December 31	<u>\$ -</u>	<u>\$ 1,922</u>	<u>\$ 1,922</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**MUNICIPAL SWIMMING POOL**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Contributions and donations	\$ 500	\$ 1,209	\$ 709
Total revenues	<u>500</u>	<u>1,209</u>	<u>709</u>
 Net change in fund balance	 500	 1,209	 709
 Fund balance - January 1	 11,359	 11,359	 -
Fund balance - December 31	<u>\$ 11,859</u>	<u>\$ 12,568</u>	<u>\$ 709</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**CONVENTION AND VISITOR’S BUREAU**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Property and other local taxes	\$ 75,000	\$ 80,802	\$ 5,802
Total revenues	<u>75,000</u>	<u>80,802</u>	<u>5,802</u>
<b><u>Expenditures:</u></b>			
General Government			
Other	75,000	65,000	10,000
Total expenditures	<u>75,000</u>	<u>65,000</u>	<u>10,000</u>
Net change in fund balance	-	15,802	15,802
Fund balance - January 1	7,225	7,225	-
Fund balance - December 31	<u>\$ 7,225</u>	<u>\$ 23,027</u>	<u>\$ 15,802</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**SAFE ROUTES TO SCHOOL**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Final Budget	Actual	Variance Over/(Under)
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 14,748	\$ 14,748	\$ -
Total revenues	<u>14,748</u>	<u>14,748</u>	<u>-</u>
<b><u>Expenditures:</u></b>			
General Government			
Contractual Services	14,748	14,757	(9)
Total expenditures	<u>14,748</u>	<u>14,757</u>	<u>(9)</u>
Net change in fund balance	-	(9)	(9)
Fund balance - January 1	(7,872)	(7,872)	-
Prior Year Encumbrances Appropriated	7,881	7,881	-
Fund balance - December 31	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ (9)</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**JEDZ CEDA**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 2,329,000	\$ 2,424,624	\$ 95,624
Total revenues	<u>2,329,000</u>	<u>2,424,624</u>	<u>95,624</u>
<b><u>Expenditures:</u></b>			
Economic Development			
Contractual Services	2,344,000	2,344,000	-
Total expenditures	<u>2,344,000</u>	<u>2,344,000</u>	<u>-</u>
Net change in fund balance	(15,000)	80,624	95,624
Fund balance - January 1	15,131	15,131	-
Fund balance - December 31	<u>\$ 131</u>	<u>\$ 95,755</u>	<u>\$ 95,624</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**CORONARY CARE TRUST**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Contributions and donations	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
 Net change in fund balance	 -	 -	 -
 Fund balance - January 1	 1,680	 1,680	 -
Fund balance - December 31	<u>\$ 1,680</u>	<u>\$ 1,680</u>	<u>\$ -</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**YOUTH TRUST**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
<b>Current:</b>			
Security of Persons and Property			
Other	\$ 1,148	\$ 339	\$ 809
<b>Total Expenditures</b>	<u>1,148</u>	<u>339</u>	<u>809</u>
Net change in Fund Balance	(1,148)	(339)	809
Fund balance - January 1	1,148	1,148	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ 809</u>	<u>\$ 809</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**C. RAY BUCK SPORTS PARK**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
<b>Current:</b>			
<b>Leisure Time Activities</b>			
Capital outlay	\$ 4,800	\$ 3,442	\$ 1,358
Total expenditures	<u>4,800</u>	<u>3,442</u>	<u>1,358</u>
Net change in fund balance	(4,800)	(3,442)	1,358
Fund balance - January 1	4,804	4,804	-
Fund balance - December 31	<u>\$ 4</u>	<u>\$ 1,362</u>	<u>\$ 1,358</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**PIERCE FIELD PARK TRUST**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Contributions and donations	\$ 1,800	\$ 2,146	\$ 346
Total revenues	<u>1,800</u>	<u>2,146</u>	<u>346</u>
<b><u>Expenditures:</u></b>			
Leisure Time Activity			
Materials and Supplies	<u>50,000</u>	<u>7,863</u>	<u>42,137</u>
Total expenditures	<u>50,000</u>	<u>7,863</u>	<u>42,137</u>
Net change in fund balance	(48,200)	(5,717)	42,483
Fund balance - January 1	59,990	59,990	-
Fund balance - December 31	<u>\$ 11,790</u>	<u>\$ 54,273</u>	<u>\$ 42,483</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**CMAQ IMPROVEMENT GRANT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 1,974,002	\$ 1,974,002	\$ -
Total revenues	<u>1,974,002</u>	<u>1,974,002</u>	<u>-</u>
<b><u>Expenditures:</u></b>			
General Government			
Capital Outlay	1,974,002	1,974,002	-
Total expenditures	<u>1,974,002</u>	<u>1,974,002</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - January 1	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**ACCRUED LEAVE RESERVE**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
<b>Current:</b>			
General Government			
Personal services	\$ 150,000	\$ 58,925	\$ 91,075
Total expenditures	<u>150,000</u>	<u>58,925</u>	<u>91,075</u>
Excess of Expenditures Over Revenues	(150,000)	(58,925)	91,075
<b><u>Other Financing Sources:</u></b>			
Transfer in	<u>134,707</u>	<u>132,000</u>	<u>(2,707)</u>
Total other financing sources	<u>134,707</u>	<u>132,000</u>	<u>(2,707)</u>
Net change in fund balance	(15,293)	73,075	88,368
Fund balance - January 1	15,293	15,293	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ 88,368</u>	<u>\$ 88,368</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUND  
AS OF DECEMBER 31, 2016**

	General Improvement	Sewer Improvement	Clean Ohio Remediation Funds 5 Fund	Clean Ohio Remediation Funds 7 Fund	Grandview Yard Infrastructure Fund
<b>Assets:</b>					
Equity in pooled cash and investments	\$ 1,268,752	\$ 464,170	\$ 10,109	\$ -	\$ -
Receivables (net of allowances):					
Income taxes	112,133	-	-	-	-
Accounts	31,520	13,081	-	-	-
Intergovernmental	-	-	-	141,827	-
Total assets	<u>\$ 1,412,405</u>	<u>\$ 477,251</u>	<u>\$ 10,109</u>	<u>\$ 141,827</u>	<u>\$ -</u>
<b>Liabilities:</b>					
Accounts payable	\$ 20,313	\$ -	\$ -	\$ 141,827	\$ 3,226
Due to other governments	-	-	10,109	-	-
Total liabilities	<u>20,313</u>	<u>-</u>	<u>10,109</u>	<u>141,827</u>	<u>3,226</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	30,761	-	-	141,827	-
Total deferred inflows of resources	<u>30,761</u>	<u>-</u>	<u>-</u>	<u>141,827</u>	<u>-</u>
<b>Fund Balances:</b>					
Committed:					
Capital projects	1,361,331	477,251	-	-	-
Unassigned	-	-	-	(141,827)	(3,226)
Total fund balances	<u>1,361,331</u>	<u>477,251</u>	<u>-</u>	<u>(141,827)</u>	<u>(3,226)</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,412,405</u>	<u>\$ 477,251</u>	<u>\$ 10,109</u>	<u>\$ 141,827</u>	<u>\$ -</u>

Grandview Yard Phase IV Fund	Northwest and First Improvement Fund	Total Non-major Capital Projects Funds
\$ -	\$ -	\$ 1,743,031
-	-	112,133
-	-	44,601
-	239,223	381,050
<u>\$ -</u>	<u>\$ 239,223</u>	<u>\$ 2,280,815</u>
\$ -	\$ 239,223	\$ 404,589
-	-	10,109
-	358,383	533,858
-	-	172,588
-	-	172,588
-	-	1,838,582
-	(119,160)	(264,213)
-	(119,160)	1,574,369
<u>\$ -</u>	<u>\$ 239,223</u>	<u>\$ 2,280,815</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2016**

	General Improvement	Sewer Improvement	Clean Ohio Remediation Funds 5 Fund	Clean Ohio Remediation Funds 7 Fund	Grandview Yard Infrastructure Fund
<b>Revenues:</b>					
Municipal income taxes	\$ 550,146	\$ -	\$ -	\$ -	\$ -
Charges for services	158,441	225,428	-	-	-
Intergovernmental	-	-	75,463	-	-
Investment income	-	58	-	-	-
Other	6,158	-	-	-	-
Total revenues	<u>714,745</u>	<u>225,486</u>	<u>75,463</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
General government	61,633	-	-	-	-
Utility services	-	31,274	-	-	-
Capital outlay	932,342	113,659	-	-	149,163
Debt service:					
Principal retirement	134,447	70,749	-	-	-
Interest and fiscal charges	9,625	12,479	-	-	-
Total expenditures	<u>1,138,047</u>	<u>228,161</u>	<u>-</u>	<u>-</u>	<u>149,163</u>
Excess (deficiency) of revenues over (under) expenditures	(423,302)	(2,675)	75,463	-	(149,163)
<b>Other Financing Sources (Uses):</b>					
Sale of capital assets	8,203	-	-	-	-
Proceeds from loan issuance	-	-	-	-	291,931
Proceeds from inception of capital lease	234,018	-	-	-	-
Transfers in	555,000	111,138	-	-	-
Total other financing sources (uses)	<u>797,221</u>	<u>111,138</u>	<u>-</u>	<u>-</u>	<u>291,931</u>
Net change in fund balances	373,919	108,463	75,463	-	142,768
Fund balance at beginning of year	987,412	368,788	(75,463)	(141,827)	(145,994)
Fund balance at end of year	<u>\$ 1,361,331</u>	<u>\$ 477,251</u>	<u>\$ -</u>	<u>\$ (141,827)</u>	<u>\$ (3,226)</u>

Grandview Yard Phase IV Fund	Northwest and First Improvement Fund	Total Non-major Capital Projects Funds
\$ -	\$ -	\$ 550,146
-	-	383,869
-	1,402,942	1,478,405
-	-	58
-	-	6,158
-	1,402,942	2,418,636
-	-	61,633
-	-	31,274
61,411	1,954,009	3,210,584
-	-	205,196
-	-	22,104
61,411	1,954,009	3,530,791
(61,411)	(551,067)	(1,112,155)
-	-	8,203
483,813	-	775,744
-	-	234,018
-	450,000	1,116,138
483,813	450,000	2,134,103
422,402	(101,067)	1,021,948
(422,402)	(18,093)	552,421
\$ -	\$ (119,160)	\$ 1,574,369

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**GENERAL IMPROVEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Final Budget	Actual	Variance Over/(Under)
<b>Revenues:</b>			
Charges for services	\$ 192,500	\$ 160,465	\$ (32,035)
Interest	440,751	524,410	83,659
Other	4,100	6,158	2,058
Total revenues	<u>637,351</u>	<u>691,033</u>	<u>53,682</u>
<b>Expenditures:</b>			
Utility Services			
Contractual services	150,400	44,423	105,977
Other operating	25,600	23,383	2,217
Capital outlay	1,381,509	1,113,126	268,383
Debt service			
Principal retirement	134,447	134,447	-
Interest and fiscal charges	9,625	9,625	-
Total expenditures	<u>1,701,581</u>	<u>1,325,004</u>	<u>376,577</u>
Excess of Expenditures Over Revenues	(1,064,230)	(633,971)	430,259
<b>Other Financing Sources</b>			
Sale of Assets	-	8,203	8,203
Transfers In	555,000	555,000	-
Total Other Financing Sources	<u>555,000</u>	<u>563,203</u>	<u>8,203</u>
Net change in fund balance	(509,230)	(70,768)	438,462
Fund balance - January 1	646,246	646,246	-
Prior year encumbrances appropriated	279,409	279,409	-
Fund balance - December 31	<u>\$ 416,425</u>	<u>\$ 854,887</u>	<u>\$ 438,462</u>



**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**SEWER IMPROVEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Charges for services	\$ 205,000	\$ 220,954	\$ 15,954
Interest	-	58	58
Total revenues	<u>205,000</u>	<u>221,012</u>	<u>16,012</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
Utility Services			
Contractual services	59,909	27,156	32,753
Materials and supplies	23,000	7,992	15,008
Capital outlay	116,902	113,659	3,243
Debt service			
Principal retirement	70,749	70,749	-
Interest and fiscal charges	11,341	11,341	-
Total expenditures	<u>281,901</u>	<u>230,897</u>	<u>51,004</u>
Net change in fund balance	(76,901)	(9,885)	67,016
Fund balance - January 1	330,244	330,244	-
Prior year encumbrances appropriated	143,811	143,811	-
Fund balance - December 31	<u>\$ 397,154</u>	<u>\$ 464,170</u>	<u>\$ 67,016</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**PARKS AND RECREATION CAPITAL IMPROVEMENT**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Property and other local taxes	\$ 208,017	\$ 220,730	\$ 12,713
Intergovernmental	6,877	7,222	345
Total revenues	<u>214,894</u>	<u>227,952</u>	<u>13,058</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
Leisure Time Activity			
Contractual services	492,660	492,567	93
Capital outlay	4,398,578	4,372,255	26,323
Debt service			
Principal retirement	80,000	80,000	-
Interest and fiscal charges	75,275	75,275	-
Total expenditures	<u>5,046,513</u>	<u>5,020,097</u>	<u>26,416</u>
Excess of revenues over expenditures	(4,831,619)	(4,792,145)	39,474
<b><u>Other Financing Sources:</u></b>			
Transfer in	987,500	987,500	-
Advance in	3,543,478	3,543,478	-
Total other financing sources	<u>4,530,978</u>	<u>4,530,978</u>	<u>-</u>
Net change in fund balance	(300,641)	(261,167)	39,474
Fund balance - January 1	81,360	81,360	-
Prior year encumbrances appropriated	338,260	338,260	-
Fund balance - December 31	<u>\$ 118,979</u>	<u>\$ 158,453</u>	<u>\$ 39,474</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**CORF 5**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 85,572	\$ 85,572	\$ -
Total revenues	<u>85,572</u>	<u>85,572</u>	<u>-</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
General Government			
Contractual Services	85,572	75,463	10,109
Total expenditures	<u>85,572</u>	<u>75,463</u>	<u>10,109</u>
Net change in fund balance	-	10,109	10,109
Fund balance - January 1	(75,463)	(75,463)	-
Prior Year Encumbrances Appropriated	75,463	75,463	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ 10,109</u>	<u>\$ 10,109</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**CORF 7**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 141,827	\$ -	\$ (141,827)
Total revenues	<u>141,827</u>	<u>-</u>	<u>(141,827)</u>
<b><u>Expenditures:</u></b>			
<b><u>Current:</u></b>			
General Government			
Contractual Services	141,827	141,827	-
Total expenditures	<u>141,827</u>	<u>141,827</u>	<u>-</u>
Net change in fund balance	-	(141,827)	(141,827)
Fund balance - January 1	(141,827)	(141,827)	-
Prior Year Encumbrances Appropriated	141,827	141,827	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ (141,827)</u>	<u>\$ (141,827)</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**GRANDVIEW YARD INFRASTRUCTURE**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
Capital outlay	\$ 291,931	\$ 291,931	\$ -
Total expenditures	<u>291,931</u>	<u>291,931</u>	<u>-</u>
Excess of Expenditures Over Revenues	(291,931)	(291,931)	-
<b>Other Financing Sources</b>			
Loan Proceeds	291,931	291,931	-
Total Other Financing Sources	<u>291,931</u>	<u>291,931</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - January 1	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**GRANDVIEW YARD PHASE IV**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Expenditures:</u></b>			
Capital outlay	\$ 483,813	\$ 483,813	\$ -
Total expenditures	<u>483,813</u>	<u>483,813</u>	<u>-</u>
Excess of Expenditures Over Revenues	(483,813)	(483,813)	-
<b>Other Financing Sources</b>			
Loan Proceeds	483,813	483,813	-
Total Other Financing Sources	<u>483,813</u>	<u>483,813</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - January 1	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL – BUDGETARY (NON-GAAP) BASIS**  
**NORTHWEST AND FIRST IMPROVEMENT FUND**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over/(Under)</u>
<b><u>Revenues:</u></b>			
Intergovernmental	\$ 1,394,691	\$ 1,394,691	\$ -
Total revenues	<u>1,394,691</u>	<u>1,394,691</u>	<u>-</u>
<b><u>Expenditures:</u></b>			
Capital outlay	1,844,691	1,844,691	-
Total expenditures	<u>1,844,691</u>	<u>1,844,691</u>	<u>-</u>
Excess of Expenditures Over Revenues	(450,000)	(450,000)	-
<b>Other Financing Sources</b>			
Transfers in	450,000	450,000	-
Total Other Financing Sources	<u>450,000</u>	<u>450,000</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance - January 1	-	-	-
Fund balance - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS, OHIO**

**INDIVIDUAL FUND SCHEDULES  
FUND DESCRIPTION - AGENCY FUNDS**

**Agency Funds**

Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

**Mayor's Court**

To account for monies collected and to be distributed by the Mayor's Court.

**Joint Economic Development Zone (JEDZ) Board**

To account for monies collected and to be distributed by the JEDZ Board in agreement with the agreement between the City and Clinton Township.

**CITY OF GRANDVIEW HEIGHTS, OHIO**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016**

	Beginning Balance	Additions	Deductions	Ending Balance
<b>Mayor's Court</b>				
<b>Assets</b>				
Cash in segregated accounts	\$ 1,100	\$ 123,361	\$ (122,311)	\$ 2,150
Total assets	<u>\$ 1,100</u>	<u>\$ 123,361</u>	<u>\$ (122,311)</u>	<u>\$ 2,150</u>
<b>Liabilities</b>				
Due to others	\$ 1,100	\$ 123,361	\$ (122,311)	\$ 2,150
Total liabilities	<u>\$ 1,100</u>	<u>\$ 123,361</u>	<u>\$ (122,311)</u>	<u>\$ 2,150</u>
<b>Joint Economic Development Zone Board</b>				
<b>Assets</b>				
Cash in segregated accounts	\$ 78,007	\$ 3,724,571	\$ (3,671,901)	\$ 130,677
Income Taxes Receivable	464,919	755,025	(464,919)	755,025
Total assets	<u>\$ 542,926</u>	<u>\$ 4,479,596</u>	<u>\$ (4,136,820)</u>	<u>\$ 885,702</u>
<b>Liabilities</b>				
Due to others	\$ 542,926	\$ 4,479,596	\$ (4,136,820)	\$ 885,702
Total liabilities	<u>\$ 542,926</u>	<u>\$ 4,479,596</u>	<u>\$ (4,136,820)</u>	<u>\$ 885,702</u>
<b>Total</b>				
<b>Assets</b>				
Cash in segregated accounts	\$ 79,107	\$ 3,847,932	\$ (3,794,212)	\$ 132,827
Income Taxes Receivable	464,919	755,025	(464,919)	755,025
Total assets	<u>\$ 544,026</u>	<u>\$ 4,602,957</u>	<u>\$ (4,259,131)</u>	<u>\$ 887,852</u>
<b>Liabilities</b>				
Due to others	\$ 544,026	\$ 4,602,957	\$ (4,259,131)	\$ 887,852
Total liabilities	<u>\$ 544,026</u>	<u>\$ 4,602,957</u>	<u>\$ (4,259,131)</u>	<u>\$ 887,852</u>



*The CITY of*  
**GRANDVIEW HEIGHTS**

**STATISTICAL SECTION**



*The CITY of*  
GRANDVIEW HEIGHTS

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**CITY OF GRANDVIEW HEIGHTS, OHIO**

**STATISTICAL SECTION**

The statistical section of the City of Grandview Heights’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City of Grandview Heights's financial performance and well-being have changed over time.	<b>S4-S11</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City’s most significant local revenue source, the income tax.	<b>S12-17</b>
<b>Debt Capacity</b> These schedules contain information to help the reader assess the afford-ability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>S18-21</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>S22-23</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>S24-29</b>

**Sources:** Sources are noted on the individual schedules.

**CITY OF GRANDVIEW HEIGHTS, OHIO**

NET POSITION BY COMPONENT  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

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	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 59,226,779	\$ 45,824,665	\$ 28,093,276	\$ 17,454,369
Restricted	888,184	1,184,261	1,779,704	1,192,229
Unrestricted	(132,535)	2,213,085	9,548,018	8,724,333
Total governmental activities net position	<u>\$ 59,982,428</u>	<u>\$ 49,222,011</u>	<u>\$ 39,420,998</u>	<u>\$ 27,370,931</u>

Source: City financial records.

<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$ 14,833,545	\$ 13,916,772	\$ 12,133,217	\$ 4,551,855	\$ 4,432,203	\$ 3,691,157
998,793	593,883	1,611,322	1,132,664	1,202,213	1,660,592
6,205,357	4,764,336	3,494,112	4,023,126	4,004,892	2,741,623
<u>\$ 22,037,695</u>	<u>\$ 19,274,991</u>	<u>\$ 17,238,651</u>	<u>\$ 9,707,645</u>	<u>\$ 9,639,308</u>	<u>\$ 8,093,372</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**

CHANGES IN NET POSITION  
LAST TEN YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

<b>Program revenues:</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Governmental activities				
Charges for services:				
General government	\$ 685,889	\$ 1,139,313	\$ 544,813	\$ 451,915
Security of persons and property	511,366	540,917	539,958	498,081
Public health and welfare	167,274	193,674	186,734	183,268
Transportation	55,758	55,803	53,065	51,187
Utility Services	396,018	273,652	195,049	191,538
Leisure time activity	274,837	196,137	260,511	251,859
Economic Development	3,228	5,000	10,976	3,831
Operating grants & contributions	2,772,332	2,716,723	1,644,574	459,865
Capital grants & contributions	9,548,864	17,078,593	11,254,753	2,742,643
Total governmental activities program revenues	<u>14,415,566</u>	<u>22,199,812</u>	<u>14,690,433</u>	<u>4,834,187</u>
<b>Expenses:</b>				
Governmental activities				
General government	3,590,566	3,488,396	3,000,999	2,504,617
Security of persons and property	6,196,665	5,294,942	5,099,104	4,944,704
Public health and welfare	56,243	50,481	39,947	6,209
Transportation	1,616,389	1,762,866	1,232,038	1,172,477
Leisure time activity	1,500,914	1,368,524	1,163,617	999,847
Utility services	805,335	691,137	758,093	790,285
Economic development	5,467,462	5,088,365	3,653,254	2,347,316
Interest & fiscal charges	186,192	93,178	90,563	100,008
Bond issuance costs	149,496	-	-	-
Total governmental activities expenses	<u>19,569,262</u>	<u>17,837,889</u>	<u>15,037,615</u>	<u>12,865,463</u>
Total primary government net revenue (expense)	<u>(5,153,696)</u>	<u>4,361,923</u>	<u>(347,182)</u>	<u>(8,031,276)</u>
<b>General revenues and other changes in net position:</b>				
Governmental activities				
Taxes:				
Property taxes levied for:				
General purposes	2,216,658	2,079,767	1,920,525	2,069,275
Police and fire pensions	144,954	142,244	119,090	130,564
Parks and recreation improvements	60,397	59,114	54,426	-
Hotel and motel taxes	254,695	274,584	187,552	245,746
Payments in lieu of taxes	1,549,253	1,376,394	1,271,885	1,653,591
Municipal income taxes levied for:				
General purposes	9,596,666	8,120,062	7,249,043	7,606,041
Capital improvements	505,077	427,326	381,528	400,319
Grants and entitlements not restricted to specific programs	1,230,747	1,124,193	790,346	881,703
Investment earnings	144,369	71,723	74,311	53,068
Lease	-	3,103	-	-
Insurance Recoveries	18,972	-	-	-
Miscellaneous	192,325	233,854	348,543	324,205
Total governmental activities	<u>15,914,113</u>	<u>13,912,364</u>	<u>12,397,249</u>	<u>13,364,512</u>
Total primary government change in net position	<u>\$ 10,760,417</u>	<u>\$ 18,274,287</u>	<u>\$ 12,050,067</u>	<u>\$ 5,333,236</u>

Source: City financial records.



	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
\$	455,289	\$ 435,571	\$ 423,918	\$ 309,175	\$ 213,627	\$ 216,906
	449,968	399,152	406,577	564,845	542,676	499,893
	175,426	177,226	169,237	146,593	158,414	155,936
	49,373	232,293	225,278	221,589	219,398	196,812
	189,754	-	-	-	-	-
	278,929	268,002	255,528	243,177	269,207	258,572
	-	-	-	-	-	-
	414,372	445,306	1,606,592	373,644	542,629	374,288
	1,916,238	1,809,543	7,783,106	10,950	8,541	3,418
	<u>3,929,349</u>	<u>3,767,093</u>	<u>10,870,236</u>	<u>1,869,973</u>	<u>1,954,492</u>	<u>1,705,825</u>
	2,457,407	2,253,422	2,098,542	2,023,040	2,204,504	2,075,789
	4,817,775	4,686,786	4,609,921	4,667,721	4,410,555	4,382,097
	42,352	43,126	40,303	39,636	36,822	34,345
	1,087,234	804,027	602,154	1,548,131	1,493,001	1,397,206
	951,611	914,501	856,551	785,511	768,120	775,985
	769,457	722,475	748,210	109,100	107,706	107,153
	1,213,559	1,218,348	1,730,058	-	-	-
	16,930	19,262	13,045	24,939	23,116	36,045
	65,700	-	-	-	-	-
	<u>11,422,025</u>	<u>10,661,947</u>	<u>10,698,784</u>	<u>9,198,078</u>	<u>9,043,824</u>	<u>8,808,620</u>
	<u>(7,492,676)</u>	<u>(6,894,854)</u>	<u>171,452</u>	<u>(7,328,105)</u>	<u>(7,089,332)</u>	<u>(7,102,795)</u>
	1,376,226	1,462,403	1,437,706	1,387,888	1,500,106	1,459,747
	126,450	125,388	144,204	122,460	123,818	123,722
	-	-	-	-	-	-
	237,143	207,056	31,743	-	-	-
	413,790	-	-	-	-	-
	6,994,594	5,629,193	4,404,879	4,745,785	5,692,124	5,353,771
	367,041	296,273	154,654	-	-	-
	515,848	892,128	1,013,394	916,994	1,003,195	1,020,332
	120,486	132,081	104,581	107,228	167,510	94,179
	-	-	-	-	-	215,660
	-	-	-	-	-	-
	103,802	186,672	68,413	116,087	148,515	84,853
	<u>10,255,380</u>	<u>8,931,194</u>	<u>7,359,574</u>	<u>7,396,442</u>	<u>8,635,268</u>	<u>8,352,264</u>
\$	<u>2,762,704</u>	<u>2,036,340</u>	<u>7,531,026</u>	<u>68,337</u>	<u>1,545,936</u>	<u>1,249,469</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**

FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
<b>General fund:</b>				
Reserved	N/A	N/A	N/A	N/A
Unreserved	N/A	N/A	N/A	N/A
Nonspendable	206,311	59,827	177,939	204,695
Committed	88,368	15,293	148,232	150,000
Assigned	504,493	331,760	203,371	144,167
Unassigned	8,187,206	8,949,247	7,095,887	5,708,223
Total general fund	<u>\$ 8,986,378</u>	<u>\$ 9,356,127</u>	<u>\$ 7,625,429</u>	<u>\$ 6,207,085</u>
<b>All other governmental funds:</b>				
Reserved	N/A	N/A	N/A	N/A
Undesignated (deficit), reported in:				
Special revenue funds	N/A	N/A	N/A	N/A
Capital project funds	N/A	N/A	N/A	N/A
Nonspendable	27,160	23,520	50,818	10,485
Restricted	4,145,040	1,027,975	1,742,683	2,889,402
Committed	1,838,582	1,356,200	1,215,111	1,158,533
Unassigned	<u>(1,281,702)</u>	<u>(2,509,977)</u>	<u>(205,908)</u>	<u>(175,212)</u>
Total all other governmental funds	<u>\$ 4,729,080</u>	<u>\$ (102,282)</u>	<u>\$ 2,802,704</u>	<u>\$ 3,883,208</u>
Total Governmental funds	<u>\$ 13,715,458</u>	<u>\$ 9,253,845</u>	<u>\$ 10,428,133</u>	<u>\$ 10,090,293</u>

**Source:** City financial records.

Notes:

- (1) The City implemented GASB 54 in fiscal year 2011. Fiscal year 2010 was restated to reflect this change; however fiscal years prior to 2010 were not restated.

2012	2011 (1)	2010 (1)	2009	2008	2007
N/A	N/A	N/A	\$ 109,898	\$ 171,144	\$ 286,948
N/A	N/A	N/A	3,676,274	3,883,314	2,410,128
216,999	237,387	258,985	N/A	N/A	N/A
150,000	-	-	N/A	N/A	N/A
1,546,279	1,249,920	1,351,767	N/A	N/A	N/A
2,544,146	1,988,100	1,917,702	N/A	N/A	N/A
<u>\$ 4,457,424</u>	<u>\$ 3,475,407</u>	<u>\$ 3,528,454</u>	<u>\$ 3,786,172</u>	<u>\$ 4,054,458</u>	<u>\$ 2,697,076</u>
N/A	N/A	N/A	\$ 146,396	\$ 46,203	\$ 240,775
N/A	N/A	N/A	541,769	662,337	1,002,435
N/A	N/A	N/A	319,801	266,601	324,536
17,752	20,643	46,805	N/A	N/A	N/A
3,784,652	522,872	521,505	N/A	N/A	N/A
1,029,225	916,057	774,163	N/A	N/A	N/A
(287,445)	(391,102)	(420,988)	N/A	N/A	N/A
<u>\$ 4,544,184</u>	<u>\$ 1,068,470</u>	<u>\$ 921,485</u>	<u>\$ 1,007,967</u>	<u>\$ 975,142</u>	<u>\$ 1,567,747</u>
<u>\$ 9,001,608</u>	<u>\$ 4,543,877</u>	<u>\$ 4,449,939</u>	<u>\$ 4,794,139</u>	<u>\$ 5,029,600</u>	<u>\$ 4,264,823</u>

**CITY OF GRANDVIEW HEIGHTS, OHIO**

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Revenues:</b>				
Municipal income tax	\$ 11,002,926	\$ 8,857,323	\$ 7,717,493	\$ 7,572,082
Property and other taxes	2,681,768	2,547,110	2,284,558	2,444,575
Payment in lieu of taxes	1,549,253	1,376,394	1,271,885	1,653,591
Charges for services	1,665,008	1,561,660	1,452,820	1,322,568
Licenses, permits & fees	323,628	749,548	254,827	205,216
Fines and forfeitures	88,414	91,278	81,283	86,787
Intergovernmental	7,434,892	4,827,467	6,716,096	3,233,113
Investment Income	159,115	77,128	76,155	55,149
Capital lease revenue	-	-	-	-
Contributions and donations	9,937	570,621	1,375,507	712,545
Miscellaneous	183,324	195,943	439,973	226,240
<b>Total revenues</b>	<b>25,098,265</b>	<b>20,854,472</b>	<b>21,670,597</b>	<b>17,511,866</b>
<b>Expenditures:</b>				
Current:				
General government	3,447,302	3,486,804	2,935,640	2,575,361
Security of persons and property	5,307,846	5,011,254	4,876,991	4,701,675
Public health and welfare	56,243	48,991	39,947	6,209
Transportation	995,405	1,441,524	684,828	669,235
Leisure time activity	1,366,450	1,122,504	955,151	892,193
Utility services	706,765	650,215	964,210	747,709
Economic Development	5,422,428	4,640,175	2,895,156	2,170,884
Capital outlay	10,508,206	7,500,719	9,795,274	4,428,942
Debt service:				
Principal retirement	365,861	260,039	168,005	161,910
Interest and fiscal charges	177,679	98,130	92,005	90,290
Bond issuance costs	149,496	-	-	-
<b>Total expenditures</b>	<b>28,503,681</b>	<b>24,260,355</b>	<b>23,407,207</b>	<b>16,444,408</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(3,405,416)</b>	<b>(3,405,883)</b>	<b>(1,736,610)</b>	<b>1,067,458</b>
<b>Other financing sources (uses):</b>				
Sale of capital assets	13,185	39,884	16,853	19,589
Loan issuance	775,744	2,181,583	1,592,091	-
Bond issuance	6,630,000	-	-	-
Premium on Bond issuance	195,110	7,025	-	-
Inception of capital lease	234,018	-	447,259	-
Insurance Recoveries	18,972	3,103	18,247	1,638
Transfers in	3,908,325	1,000,000	250,000	307,500
Transfers out	(3,908,325)	(1,000,000)	(250,000)	(307,500)
<b>Total other financing sources (uses)</b>	<b>7,867,029</b>	<b>2,231,595</b>	<b>2,074,450</b>	<b>21,227</b>
<b>Net change in fund balances</b>	<b>\$ 4,461,613</b>	<b>\$ (1,174,288)</b>	<b>\$ 337,840</b>	<b>\$ 1,088,685</b>
Debt service as a percentage of noncapital expenditures	2.52%	2.15%	1.87%	2.08%

Source: City financial records.

	2012	2011	2010	2009	2008	2007
\$	6,845,331	\$ 5,619,516	\$ 4,748,687	\$ 4,548,428	\$ 5,611,389	\$ 5,559,384
	1,740,073	1,798,345	1,635,865	1,503,409	1,600,458	1,608,430
	413,790	-	-	-	-	-
	1,300,942	1,209,343	1,196,115	1,128,191	1,142,485	1,092,531
	211,362	202,568	169,856	182,004	95,832	99,004
	91,515	96,576	116,995	181,496	164,299	126,555
	1,672,554	2,471,965	4,619,688	1,289,132	1,474,911	1,338,216
	119,081	126,165	90,957	126,977	208,499	139,434
	-	-	-	-	-	215,660
	115,970	11,447	10,807	9,908	14,923	-
	88,365	86,172	71,176	104,999	148,144	113,521
	<u>12,598,983</u>	<u>11,622,097</u>	<u>12,660,146</u>	<u>9,074,544</u>	<u>10,460,940</u>	<u>10,292,735</u>
	2,381,001	2,210,917	2,038,156	1,990,396	2,161,482	2,035,446
	4,506,905	4,489,567	4,389,401	4,465,941	4,146,435	4,149,691
	42,352	43,126	40,303	39,636	36,822	34,345
	606,464	628,207	534,611	1,409,635	1,290,263	1,255,987
	856,670	835,953	771,687	715,225	685,713	690,768
	721,683	718,703	690,642	109,100	107,706	107,153
	1,462,257	1,155,347	1,730,058	-	-	-
	326,120	1,644,618	2,674,874	448,693	1,248,791	548,017
	110,473	110,875	112,508	121,855	124,588	252,474
	16,930	19,262	22,106	25,434	23,601	26,004
	65,700	-	-	-	-	-
	<u>11,096,555</u>	<u>11,856,575</u>	<u>13,004,346</u>	<u>9,325,915</u>	<u>9,825,401</u>	<u>9,099,885</u>
	1,502,428	(234,478)	(344,200)	(251,371)	635,539	1,192,850
	4,541	30,855	-	15,910	13,733	9,675
	28,952	204,807	-	-	-	-
	2,800,000	-	-	-	-	-
	101,644	-	-	-	-	-
	-	-	-	-	115,505	-
	20,166	92,754	-	-	-	-
	85,000	59,774	498,229	232,700	556,121	638,412
	(85,000)	(59,774)	(498,229)	(232,700)	(556,121)	(638,412)
	<u>2,955,303</u>	<u>328,416</u>	<u>-</u>	<u>15,910</u>	<u>129,238</u>	<u>9,675</u>
\$	<u>4,457,731</u>	<u>\$ 93,938</u>	<u>\$ (344,200)</u>	<u>\$ (235,461)</u>	<u>\$ 764,777</u>	<u>\$ 1,202,525</u>

1.20%                      1.27%                      1.30%                      1.65%                      1.70%                      3.22%

**CITY OF GRANDVIEW HEIGHTS, OHIO**

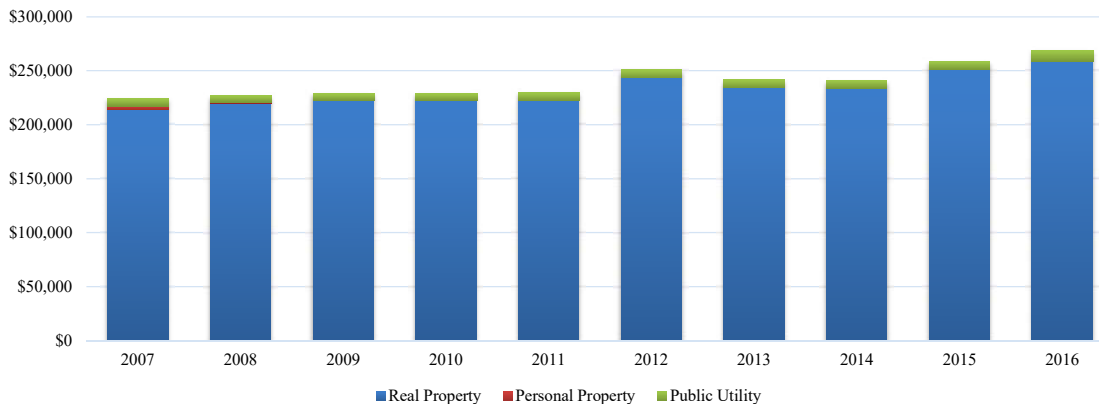
ASSESSED VALUATION AND ESTIMATED TRUE VALUES OF TAXABLE PROPERTY  
LAST TEN YEARS  
(\$000's omitted)

Tax Year	Collection Year	Real Property		Personal Property		Public Utility		TOTAL			City Direct Rate
		Assessed	Estimated Actual (a)	Assessed	Estimated Actual (b)	Assessed	Estimated Actual (c)	Assessed	Estimated Actual	Ratio	
2006	2007	\$ 214,655	\$ 613,300	\$ 2,708	\$ 21,578	\$ 6,755	\$ 27,020	\$224,118	\$ 661,898	33.86%	10.70
2007	2008	\$ 220,095	\$ 628,843	\$ 107	\$ 1,712	\$ 6,786	\$ 27,144	\$226,988	\$ 657,699	34.51%	10.70
2008	2009	\$ 222,574	\$ 635,926	\$ 53	\$ -	\$ 6,681	\$ 26,724	\$229,308	\$ 662,650	34.60%	10.70
2009	2010	\$ 222,597	\$ 635,991	\$ 53	\$ -	\$ 6,658	\$ 26,632	\$229,308	\$ 662,623	34.61%	10.70
2010	2011	\$ 222,779	\$ 636,511	\$ -	\$ -	\$ 6,918	\$ 27,672	\$229,697	\$ 664,183	34.58%	10.95
2011	2012	\$ 244,163	\$ 697,609	\$ -	\$ -	\$ 7,100	\$ 28,400	\$251,263	\$ 726,009	34.61%	10.70
2012	2013	\$ 234,810	\$ 670,886	\$ -	\$ -	\$ 7,092	\$ 28,368	\$241,902	\$ 699,254	34.59%	10.15
2013	2014	\$ 233,373	\$ 666,780	\$ -	\$ -	\$ 7,412	\$ 29,648	\$240,785	\$ 696,428	34.57%	10.15
2014	2015	\$ 251,591	\$ 718,831	\$ -	\$ -	\$ 7,459	\$ 29,836	\$259,050	\$ 748,667	34.60%	10.15
2015	2016	\$ 258,928	\$ 739,794	\$ -	\$ -	\$ 9,946	\$ 39,784	\$268,874	\$ 779,578	34.49%	10.15

Source: County Auditor - Franklin County, Ohio.

- (a) Real property is assessed at 35% of actual value. Real property taxes collected in a calendar year are levied as of January 1 of that year based on assessed values as of January 1 of the preceding year.
- (b) Public utility is assessed at 25% of actual value. Public utility real and tangible property taxes collected in a calendar year are levied in the preceding calendar year based on assessed values determined as of December 31, of the second preceding year.
- (c) For Tax Year 2006, tangible personal property tax is assessed at 18.75% of property value, including inventory.  
For Tax Year 2007, tangible personal property tax is assessed at 12.55% of property value, including inventory.  
For Tax Year 2008, tangible personal property tax is assessed at 6.25% of property value, including inventory.  
For Tax Year 2009, tangible personal property tax is entirely phased out.

**Assessed Valuation by Property Type  
Collection Years 2007- 2016 (\$000's Omitted)**



**CITY OF GRANDVIEW HEIGHTS, OHIO**

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
 RATES EXPRESSED PER \$1,000 OF ASSESSED VALUATION  
 LAST TEN YEARS

<b>Tax Year</b>	<b>Collection Year</b>	<b>Operating Direct Rate</b>	<b>Fire Pension Direct Rate</b>	<b>Police Pension Direct Rate</b>	<b>Parks and Recreation Direct Rate</b>	<b>Total City Direct Rate</b>	<b>Franklin County</b>	<b>Grandview Heights City School District</b>	<b>Grandview Heights Public Library</b>	<b>Total</b>	<b>Res/Agr Effective Rate</b>	<b>Com/Ind Effective Rate</b>
2006	2007	10.10	0.30	0.30	N/A	10.70	17.79	100.50	4.70	133.69	63.9223	96.0322
2007	2008	10.10	0.30	0.30	N/A	10.70	17.84	100.80	4.70	134.04	65.3498	96.6696
2008	2009	10.10	0.30	0.30	N/A	10.70	17.37	101.10	4.70	133.87	67.0868	92.3150
2009	2010	10.10	0.30	0.30	N/A	10.70	18.07	100.90	4.70	134.37	68.0786	92.9989
2010	2011	10.35	0.30	0.30	N/A	10.95	18.07	105.05	4.70	138.77	74.6074	99.0556
2011	2012	10.10	0.30	0.30	N/A	10.70	18.07	104.15	4.70	137.62	71.2288	93.5683
2012	2013	9.55	0.30	0.30	N/A	10.15	18.47	104.30	4.70	137.62	76.1796	97.7249
2013	2014	9.30	0.30	0.30	0.25	10.15	18.47	104.30	4.70	137.62	76.2794	98.3721
2014	2015	9.30	0.30	0.30	0.25	10.15	18.47	110.30	4.70	143.62	78.1402	104.5131
2015	2016	9.30	0.30	0.30	0.25	10.15	18.47	110.05	4.70	143.37	77.8988	103.9401

**Sources:** Ohio Municipal Advisory Council, Franklin County Auditor's Office

**CITY OF GRANDVIEW HEIGHTS, OHIO**

TOP PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO

Taxpayer Name	Assessed Valuation	% of Total Assessed Valuation
<b>December 31, 2015 (a)</b>		
<b>Public Utilities</b>		
Ohio Power Company	\$5,821,760	2.25%
Columbia Gas	1,643,050	0.63%
<b>Real Estate</b>		
NRI Equity Land	3,794,830	1.46%
Buckone Ltd.	1,854,250	0.72%
Woodhill Garden	1,050,000	0.41%
Grandview Business Center	963,040	0.37%
William E Benua TR	920,400	0.36%
Wagbros Co. 1 2 4 LTD	880,580	0.34%
777 Goodale Partners	761,850	0.29%
Panzer Nick C	724,580	0.28%
1400 Goodale LLC	677,610	0.26%
Kramer Nancy	638,240	0.25%
All Others	239,319,890	92.38%
Total Assessed Valuation	<u>\$259,050,080</u>	<u>100.00%</u>

<b>December 31, 2006 (a)</b>		
<b>Public Utilities</b>		
Columbus Southern Power	\$4,651,880	2.04%
Columbia Gas of Ohio Inc	3,058,050	1.34%
<b>Real Estate</b>		
Olentangy Commerce Center LP	5,391,940	2.36%
Penn Traffic	1,556,390	0.68%
Woodhill Garden	981,930	0.43%
Court Realty Ltd	957,250	0.42%
Popajack LLC	900,320	0.39%
Tarbill Family LP	875,010	0.38%
Jamestown Apartments Corp.	875,000	0.38%
5700 Greenpointe LLC	854,540	0.37%
William E Benua TR	760,950	0.33%
Ideal Investment	647,510	0.28%
<b>Tangible Personal Property</b>		
Loeb Electric Company	1,392,720	0.61%
Capital Wholesale Drug Company	397,965	0.17%
Carro Printing Corp	373,500	0.16%
Bearing Distributors Inc	312,563	0.14%
Mindleaders Com Inc.	300,668	0.13%
Floyd Bell Associates Inc.	294,555	0.13%
Global Living LLC	247,956	0.11%
Time Warner Entertainment Company LP	216,870	0.09%
C.W. Demary Service Inc.	202,598	0.09%
Installed Building Products	130,035	0.05%
All Others	203,083,526	88.89%
Total Assessed Valuation	<u>\$228,463,726</u>	<u>100.00%</u>

Source: County Auditor - Franklin County, Ohio.

(a) Tax Year 2015 and 2006 collections represent amounts received in 2016 and 2007, respectively.



**CITY OF GRANDVIEW HEIGHTS, OHIO**

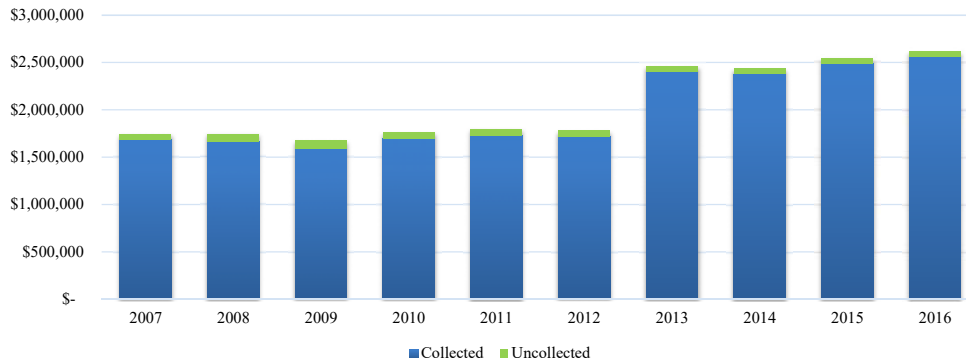
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS

<b>Tax Year</b>	<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Current Collection</b>	<b>Delinquent Collection</b>	<b>Total Tax Collections</b>	<b>Accumulated Outstanding Delinquent Taxes</b>	<b>Percent of Total Collections to Tax Levy</b>	<b>Percent of Delinquent Taxes to Total Tax Levy</b>
2006	2007	\$ 1,701,716	\$ 1,647,180	\$ 42,741	\$ 1,689,921	\$ 57,716	99.31%	3.39%
2007	2008	\$ 1,687,015	\$ 1,636,797	\$ 30,787	\$ 1,667,584	\$ 81,183	98.85%	4.81%
2008	2009	\$ 1,673,526	\$ 1,540,350	\$ 49,201	\$ 1,589,551	\$ 88,121	94.98%	5.27%
2009	2010	\$ 1,681,153	\$ 1,640,791	\$ 60,877	\$ 1,701,668	\$ 65,889	101.22%	3.92%
2010	2011	\$ 1,733,917	\$ 1,699,364	\$ 36,171	\$ 1,735,535	\$ 62,391	100.09%	3.60%
2011	2012	\$ 1,752,553	\$ 1,689,728	\$ 32,214	\$ 1,721,942	\$ 62,137	98.25%	3.55%
2012	2013	\$ 2,625,870	\$ 2,348,369	\$ 54,062	\$ 2,402,431	\$ 63,146	91.49%	2.40%
2013	2014	\$ 2,442,967	\$ 2,334,457	\$ 41,297	\$ 2,375,754	\$ 60,182	97.25%	2.46%
2014	2015	\$ 2,496,745	\$ 2,457,478	\$ 33,394	\$ 2,490,872	\$ 53,627	99.76%	2.15%
2015	2016	\$ 2,573,931	\$ 2,515,075	\$ 48,544	\$ 2,563,619	\$ 59,843	99.60%	2.32%
<b>Ten Year Average</b>		<b>\$ 2,007,891</b>	<b>\$ 1,924,290</b>	<b>\$ 48,177</b>	<b>\$ 1,972,466</b>	<b>\$ 66,805</b>	<b>98.24%</b>	<b>3.33%</b>

Source: County Auditor - Franklin County, Ohio.

Note: The Franklin County Auditor's Office confirmed the Percent of Total Collections to Tax Levy column includes percentages in excess of 100% due to timing issues with the collection of property taxes.

**Property Tax Levies - Collected & Uncollected  
by Collection Year**



**CITY OF GRANDVIEW HEIGHTS, OHIO**

INCOME TAX COLLECTIONS  
LAST TEN YEARS  
(CASH BASIS)

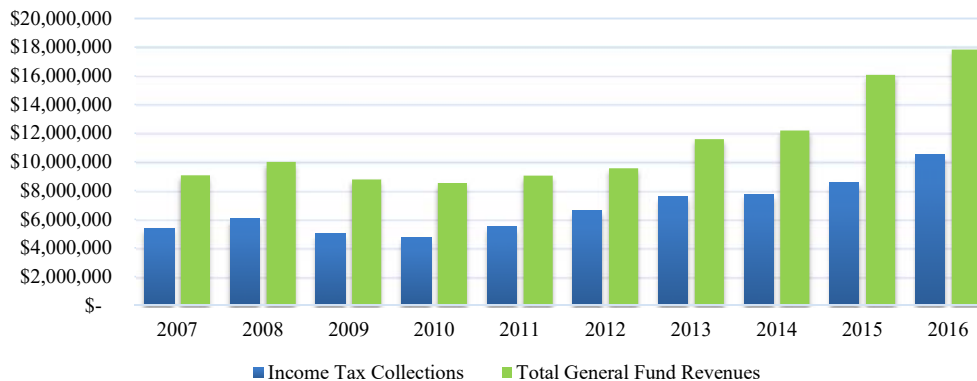
<b>Tax Year</b>	<b>Tax Rate</b>	<b>Withholding Tax</b>	<b>Individual Tax</b>	<b>Net Profit Tax</b>	<b>Total Tax Collections</b>	<b>Total General Fund Revenues</b>	<b>Total Income Taxes as a % of Total General Fund Revenues</b>
2007	2.5%	\$ 3,146,500	\$ 1,332,039	\$ 868,350	\$ 5,346,889	\$ 9,064,082	58.99%
2008	2.5%	\$ 3,465,513	\$ 1,368,417	\$ 1,198,061	\$ 6,031,991	\$ 9,998,228	60.33%
2009	2.25%	\$ 2,939,249	\$ 1,303,871	\$ 741,476	\$ 4,984,596	\$ 8,785,112	56.74%
2010	2.5%	\$ 3,168,122	\$ 961,315	\$ 577,224	\$ 4,706,661	\$ 8,532,378	55.16%
2011	2.5%	\$ 3,503,958	\$ 1,206,731	\$ 762,115	\$ 5,472,804	\$ 9,043,480	60.52%
2012	2.5%	\$ 4,144,915	\$ 1,290,955	\$ 1,189,733	\$ 6,625,603	\$ 9,572,787	69.21%
2013	2.5%	\$ 4,624,817	\$ 1,467,958	\$ 1,496,987	\$ 7,589,762	\$ 11,601,156	65.42%
2014	2.5%	\$ 4,854,177	\$ 1,439,182	\$ 1,442,724	\$ 7,736,083	\$ 12,188,519	63.47%
2015	2.5%	\$ 5,515,449	\$ 1,588,865	\$ 1,443,529	\$ 8,547,843	\$ 16,076,212	53.17%
2016	2.5%	\$ 6,865,121	\$ 1,821,771	\$ 1,801,308	\$10,488,200	\$ 17,852,263	58.75%
<b>Ten Year Average</b>		<b>\$ 4,104,344</b>	<b>\$ 1,352,976</b>	<b>\$ 1,104,843</b>	<b>\$ 6,562,163</b>	<b>\$ 11,007,166</b>	<b>59.62%</b>

**Note 1:** The tax rate was increased to 2.5% of taxable income effective July 1, 2005. This rate was then reduced to 2.25% of taxable income effective January 1, 2009. This rate was increased to 2.5% effective July 1, 2010.

**Note 2:** In 2010 Council allocated 5% of income tax collections for capital expenditures. This amount is recorded in the General Improvement Fund. The above income tax collections reflect total City collections for the year.

**Source:** Regional Income Tax Agency & City financial reports.

**Income Tax Collections & Total General Fund Revenues**



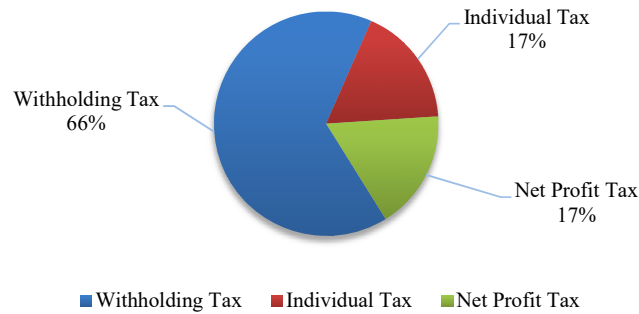
**CITY OF GRANDVIEW HEIGHTS, OHIO**

INCOME TAX COLLECTIONS  
CURRENT YEAR AND NINE YEARS AGO  
(CASH BASIS)

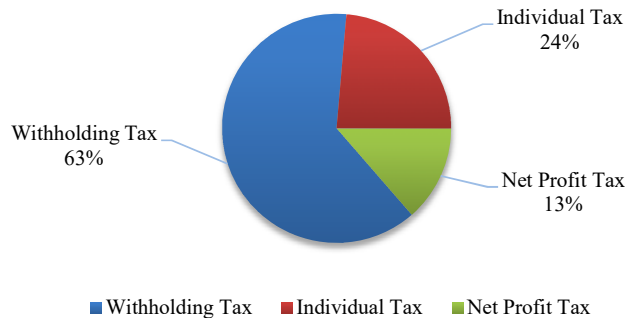
	<u>2016</u>		<u>2007</u>	
Withholding Tax	\$ 6,865,121	65.46%	\$ 2,919,962	62.75%
Individual Tax	1,821,771	17.37%	1,101,634	23.67%
Net Profit Tax	<u>1,801,308</u>	<u>17.17%</u>	<u>631,762</u>	<u>13.58%</u>
Total Income Tax Collections	<u>\$ 10,488,200</u>	<u>100.00%</u>	<u>\$ 4,653,358</u>	<u>100.00%</u>

**Source:** Regional Income Tax Agency & City financial reports.

**2016 Income Tax Collections by Type**



**2007 Income Tax Collections by Type**



**CITY OF GRANDVIEW HEIGHTS, OHIO**

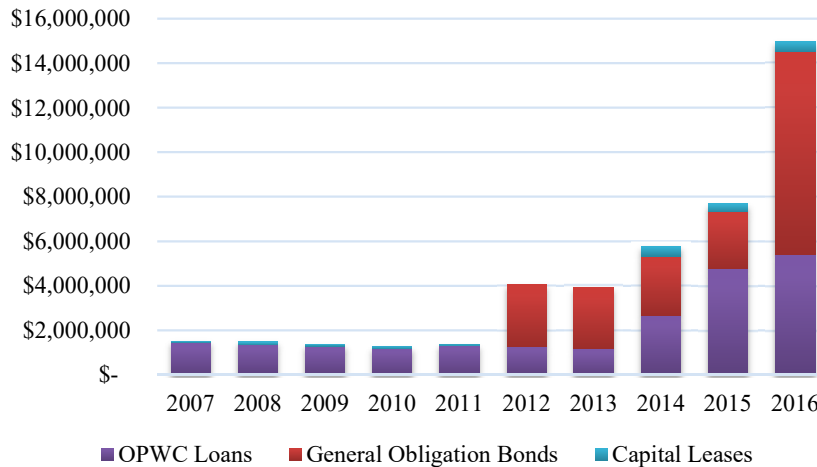
**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN YEARS**

<b>Year</b>	<b>General Obligation Bonds</b>	<b>OPWC Loans</b>	<b>Capital Leases</b>	<b>Total Debt</b>	<b>Percentage of Personal Income</b>	<b>Total Debt Per Capita</b>
2007	\$ -	\$ 1,435,538	\$ 61,302	\$ 1,496,840	0.88%	\$ 241.08
2008	\$ -	\$ 1,357,735	\$ 130,022	\$ 1,487,757	0.86%	\$ 235.93
2009	\$ -	\$ 1,278,958	\$ 86,944	\$ 1,365,902	0.79%	\$ 216.60
2010	\$ -	\$ 1,199,184	\$ 54,210	\$ 1,253,394	0.70%	\$ 191.77
2011	\$ -	\$ 1,323,193	\$ 24,133	\$ 1,347,326	0.57%	\$ 206.14
2012	\$ 2,800,000	\$ 1,265,805	\$ -	\$ 4,065,805	1.73%	\$ 622.06
2013	\$ 2,730,000	\$ 1,173,895	\$ -	\$ 3,903,895	1.47%	\$ 564.96
2014	\$ 2,655,000	\$ 2,672,981	\$ 447,259	\$ 5,775,240	2.03%	\$ 862.62
2015	\$ 2,575,000	\$ 4,760,426	\$ 361,358	\$ 7,696,784	2.70%	\$ 1,149.63
2016	\$ 9,125,000	\$ 5,384,756	\$ 460,929	\$ 14,970,685	4.30%	\$ 2,134.40

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**Source:** City financial records.

**Outstanding Debt by Type**



**CITY OF GRANDVIEW HEIGHTS, OHIO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS**

---

<b>Year</b>	<b>General Obligation Bonds</b>	<b>Total General Bonded Debt Outstanding</b>	<b>Ratio of Bonded Debt to Assessed Value</b>	<b>Per Capita</b>
2007	\$ -	\$ -	0.00%	\$ -
2008	\$ -	\$ -	0.00%	\$ -
2009	\$ -	\$ -	0.00%	\$ -
2010	\$ -	\$ -	0.00%	\$ -
2011	\$ -	\$ -	0.00%	\$ -
2012	\$ 2,800,000	\$ 2,800,000	1.11%	\$ 428.40
2013	\$ 2,730,000	\$ 2,730,000	1.13%	\$ 395.08
2014	\$ 2,655,000	\$ 2,655,000	1.10%	\$ 396.56
2015	\$ 2,575,000	\$ 2,575,000	0.99%	\$ 384.62
2016	\$ 9,125,000	\$ 9,125,000	3.39%	\$ 1,300.97

**Note:** Details regarding the City's outstanding debt can be found in the notes to the financial statements.

**Source:** City financial records.

**CITY OF GRANDVIEW HEIGHTS, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING  
GENERAL OBLIGATION BONDED DEBT  
AS OF DECEMBER 31, 2016

<b>Governmental Unit</b>	<b>Debt Outstanding</b>	<b>Percent Applicable</b>	<b>Estimated Share of Overlapping Debt</b>
<b>Direct:*</b>			
City of Grandview Heights	\$ 9,125,000	100.00%	\$ 9,125,000
<b>Overlapping:**</b>			
Franklin County	\$ 212,975,000	1.00%	\$ 2,129,750
Grandview Heights City School District	\$ 2,165,000	85.64%	\$ 1,854,106
Solid Waste Authority of Central Ohio	\$ 90,965,000	0.96%	\$ 873,264
Total overlapping debt	<u>\$ 306,105,000</u>		<u>\$ 4,857,120</u>
Total direct & overlapping debt	<u><u>\$ 315,230,000</u></u>		<u><u>\$ 13,982,120</u></u>

\***Source:** City of Grandview Height's Finance Department

\*\***Source:** Ohio Municipal Advisory Council

Note: Percentage derived by dividing the subdivision's assessed valuation in an overlapping subdivision, by the total assessed valuation of the overlapping subdivision.

**CITY OF GRANDVIEW HEIGHTS, OHIO**

LEGAL DEBT MARGIN INFORMATION  
LAST TEN YEARS

<b>Year</b>	<b>Debt Limit</b>	<b>Total Net Debt Applicable to Limit</b>	<b>Debt Service Available Balance</b>	<b>Legal Debt Margin</b>	<b>Total Net Debt Applicable to Limit as a Percentage of Debt Limit</b>
2007	\$ 22,538,775	\$ -	\$ 1	\$ 22,538,776	0.00%
2008	\$ 23,109,975	\$ -	\$ 1	\$ 23,109,976	0.00%
2009	\$ 23,370,270	\$ -	\$ 1	\$ 23,370,271	0.00%
2010	\$ 23,372,685	\$ -	\$ 1	\$ 23,372,686	0.00%
2011	\$ 23,391,795	\$ -	\$ -	\$ 23,391,795	0.00%
2012	\$ 25,637,115	\$ 2,800,000	\$ -	\$ 22,837,115	10.92%
2013	\$ 24,655,050	\$ 2,730,000	\$ -	\$ 21,925,050	11.07%
2014	\$ 24,504,165	\$ 2,655,000	\$ -	\$ 21,849,165	10.83%
2015	\$ 26,417,055	\$ 2,575,000	\$ 7,025	\$ 23,849,080	9.75%
2016	\$ 27,187,440	\$ 9,125,000	\$ 7,026	\$ 18,069,466	33.56%

**Notes:**

- (1) Debt limit is calculated as assessed valuation multiplied by 10.5%.
- (2) Beginning in 2007, the debt limit excludes the assessed valuation of tangible personal property tax, as well as railroad and telephone public utility personal property in accordance with Ohio House Bill 530.

**Source:** City financial records.

**CITY OF GRANDVIEW HEIGHTS, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

<b>Year</b>	<b>Population (1)</b>	<b>Per Capita Income (1)</b>	<b>Personal Income (5)</b>	<b>Median Age (1)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (2)</b>
2007	6,209	\$ 27,495	\$ 170,716,455	36.8	1,136	4.7%
2008	6,306	\$ 27,495	\$ 173,383,470	36.8	1,142	5.5%
2009	6,306	\$ 27,495	\$ 173,383,470	36.8	1,123	8.8%
2010	6,536	\$ 27,495	\$ 179,707,320	36.8	1,113	8.3%
2011	6,536	\$ 36,028	\$ 235,479,008	36.8	1,103	6.3%
2012	6,536	\$ 36,028	\$ 235,479,008	36.8	1,071	5.4%
2013	6,910	\$ 38,515	\$ 266,138,650	35.7	1,072	5.4%
2014	6,695	\$ 42,537	\$ 284,785,215	35.7	1,055	3.6%
2015	6,836	\$ 42,537	\$ 290,782,932	32.5	1,063	3.8%
2016	7,014	\$ 49,691	\$ 348,532,674	32.8	1,085	3.8%

**OTHER MISCELLANEOUS INFORMATION (4)**

Date of Incorporation                      1906  
Form of Government                      Mayor/Council

Area in square miles                      1.24

**City Acreage by class:**

Single family	507	62.6%
Multi-family	131	16.2%
Retail	17	2.1%
Industrial	155	19.1%

**Facilities & Services:**

Miles of streets	21.57
Number of street lights	696
Number of traffic lights	11

**Sources:**

- (1) US Census
- (2) Ohio Job & Family Services, Labor Market Information department. Rates are for Franklin County
- (3) Grandview Heights City School District website.
- (4) City Department Records.
- (5) Per capita income multiplied by population.



**CITY OF GRANDVIEW HEIGHTS, OHIO**

PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

<b>Employer</b>	<b>2016</b>	
	<b>Number of Employees</b>	<b>Percent of Total City Employment</b>
Nationwide Mutual / Life Insurance Co.	2,458	22.19%
Ernst & Young US LLP	325	2.93%
Grandview Heights City Schools	181	1.63%
Columbus Brau LLC (dba Hofbrauhaus)	141	1.27%
Navigator Management Partners	140	1.26%
Strategic Research Group Inc.	130	1.17%
Ohio Power Co. (dba AEP)	122	1.10%
Electrical Specialists, Inc.	118	1.07%
City of Grandview Heights	107	0.97%
Kemelgor Financial Group (dba Northwestern Mutual)	101	0.91%
Total of top ten	<u>3,823</u>	<u>34.52%</u>
Total Employment within the City	<u>11,075</u>	

<b>Employer</b>	<b>2007</b>	
	<b>Number of Employees</b>	<b>Percent of Total City Employment</b>
Grandview Heights Board of Education	316	4.18%
Loeb Electric Company	187	2.47%
City of Grandview Heights	150	1.98%
NiSource Corporate Services	146	1.93%
Limbach Company, LLC	99	1.31%
Electrical Specialists, Inc.	94	1.24%
Manley Deas Kochal	85	1.12%
Bravo Brio Restaurant Group	84	1.11%
Gourmet Corp (dba Gourmet Market)	78	1.03%
Grandview Heights Public Library	68	0.90%
Total of top ten	<u>1,307</u>	<u>17.27%</u>
Total Employment within the City	<u>7,566</u>	

**Source:** Regional Income Tax Agency (RITA) records.

**CITY OF GRANDVIEW HEIGHTS, OHIO**

FULL-TIME EQUIVALENT CITY GOVERNMENT  
EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
General Government:										
Administration	2.00	3.00	2.75	2.00	2.00	2.00	2.00	2.00	2.00	2.90
Finance	5.00	5.00	4.00	3.00	3.00	3.00	3.00	3.25	3.00	3.00
Legal	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.80	0.80
Building & Zoning	4.20	4.00	3.25	3.00	3.00	3.00	3.00	3.00	3.00	2.50
Total General Government	<u>12.20</u>	<u>13.00</u>	<u>11.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.00</u>	<u>9.25</u>	<u>8.80</u>	<u>9.20</u>
Security of Persons & Property:										
Fire/EMS	19.00	18.00	18.00	18.50	18.50	18.50	17.25	17.00	17.00	17.00
Police	19.90	19.90	18.70	18.00	18.00	17.00	18.00	19.00	19.00	18.00
Communications	4.40	4.40	4.40	4.20	4.00	4.00	4.50	4.50	4.50	4.65
Total Security of Persons & Property	<u>43.30</u>	<u>42.30</u>	<u>41.10</u>	<u>40.70</u>	<u>40.50</u>	<u>39.50</u>	<u>39.75</u>	<u>40.50</u>	<u>40.50</u>	<u>39.65</u>
Street	7.00	7.00	7.00	6.50	5.75	5.00	5.00	6.00	6.00	6.00
Sanitation	7.00	7.00	6.60	6.60	7.50	6.75	5.75	6.00	6.00	6.00
Parks & Recreation	9.10	10.10	9.20	12.80	12.80	11.70	11.70	12.20	11.87	10.98
Total full-time equivalent (FTE)	<u>78.60</u>	<u>79.40</u>	<u>74.90</u>	<u>75.60</u>	<u>75.55</u>	<u>71.95</u>	<u>71.20</u>	<u>73.95</u>	<u>73.17</u>	<u>71.83</u>

**Source:** City payroll systems.

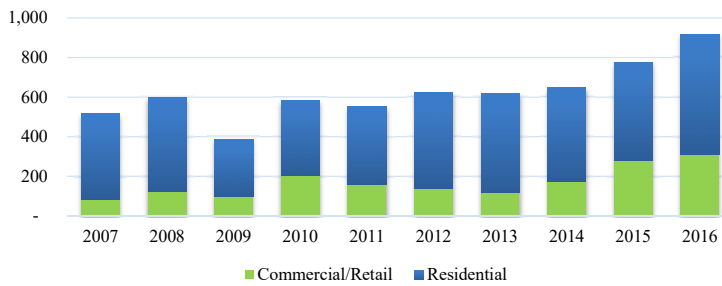
**CITY OF GRANDVIEW HEIGHTS, OHIO**

**CONSTRUCTION ACTIVITY  
LAST TEN YEARS**

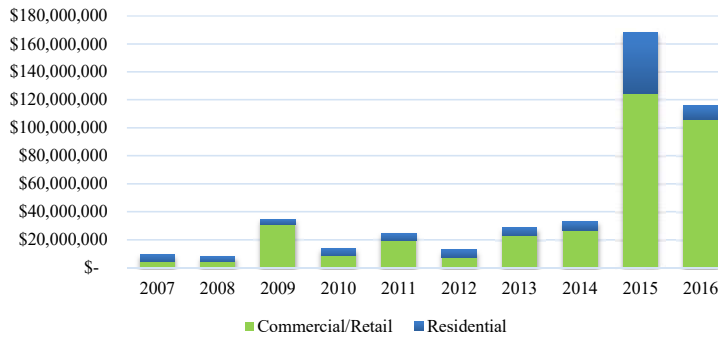
Year	Residential			Commercial/Retail			Total		
	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value	Permits	Total Value	Avg Value
2007	432	\$ 5,141,520	\$ 11,902	84	\$ 4,239,626	\$ 50,472	516	\$ 9,381,146	\$ 18,181
2008	476	\$ 3,597,308	\$ 7,557	122	\$ 4,661,742	\$ 38,211	598	\$ 8,259,050	\$ 13,811
2009	290	\$ 3,830,262	\$ 13,208	97	\$ 30,654,535	\$ 316,026	387	\$ 34,484,797	\$ 89,108
2010	376	\$ 5,074,843	\$ 13,497	206	\$ 8,770,595	\$ 42,576	582	\$ 13,845,438	\$ 23,789
2011	392	\$ 5,074,277	\$ 12,945	159	\$ 19,584,310	\$ 123,172	551	\$ 24,658,587	\$ 44,752
2012	484	\$ 5,346,955	\$ 11,047	138	\$ 7,378,798	\$ 53,470	622	\$ 12,725,753	\$ 20,459
2013	502	\$ 5,748,282	\$ 11,451	116	\$ 22,885,611	\$ 197,290	618	\$ 28,633,893	\$ 46,333
2014	473	\$ 6,201,076	\$ 13,110	174	\$ 26,947,091	\$ 154,868	647	\$ 33,148,167	\$ 51,234
2015	500	\$ 44,124,819	\$ 88,250	277	\$ 124,364,767	\$ 448,970	777	\$ 168,489,586	\$ 216,846
2016	607	\$ 10,109,805	\$ 16,655	310	\$ 105,634,675	\$ 340,757	917	\$ 115,744,480	\$ 126,221

Source: City Building Department Records

**Number of Building Permits Issued**



**Value of Building Permits Issued**



**CITY OF GRANDVIEW HEIGHTS, OHIO**

**OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN YEARS**

<b>Function/Program</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Police:</b>			
Physical arrests	589	268	N/A
Misdemeanor charges	1,044	571	N/A
Felony charges	58	86	N/A
Criminal charges	N/A	N/A	367
Parking citations	53	89	73
Traffic citations	605	983	1,011
<b>Fire:</b>			
Emergency responses/calls answered	1,839	2,105	2,049
Fires extinguished	14	49	60
Inspections conducted	301	206	361
<b>Sanitation:</b>			
Total refuse collected (tons)	2,300.3	2,123.0	2,272.0
Total recyclables collected (tons)	968.1	887.7	910.9
Total yard waste collected (tons)	699.6	800.3	881.9
Total e-waste collected (tons)	8,300.0	7.5	
<b>Service:</b>			
Street resurfacing (miles)	3.180	1.300	0.750
Asphalt used for potholes/patching (tons)	15.1	74.7	49.0
<b>Parks and Recreation:</b>			
Swimming pool memberships	1,761	1,196	1,587
Grandview Center memberships	172	193	620
Street/park trees planted	96	550	96
Per capita tree expenditure	\$28.29	\$67.93	\$13.13
Street/park trees removed	61	54	89
<b>Finance:</b>			
Checks issued	1,805	1,852	1,553
Purchase orders issued	1,191	1,163	959

**Sources:** City Department Directors,  
Grandview Heights City School District website,  
Grandview Heights Public Library.

N/A- In 2015, the City began to report information from police department in new categories

<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A
538	359	315	380	659	667	590
80	117	170	166	291	230	300
1,052	1,325	1,247	1,806	3,511	3,422	1,801
2,054	1,314	1,224	1,129	1,102	1,290	1,275
60	20	1	2	31	20	29
504	352	126	121	121	174	359
2,288.8	2,157.9	2,244.7	2,245.2	2,471.7	2,662.7	2,814.8
920.1	913.5	948.7	930.3	751.0	732.2	690.9
953.0	884.6	936.5	765.1	765.6	958.6	788.6
0.738	1.000	0.001	-	0.430	0.320	-
37.2	35.2	75.4	32.9	35.8	39.5	40.0
1,591	1,531	1,662	1,608	1,690	1,783	1,799
687	688	655	678	615	683	617
115	79	430	40	106	108	60
\$10.64	\$11.12	\$10.71	\$10.44	\$11.25	\$7.11	\$6.57
36	36	74	32	55	72	90
1,720	1,656	1,669	1,712	1,847	1,760	1,758
1,103	1,034	1,074	1,084	1,143	1,358	1,425

**CITY OF GRANDVIEW HEIGHTS, OHIO**

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN YEARS

<b>Function/Program</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
<b>Police:</b>					
Stations	1	1	1	1	1
Cruisers	7	7	7	7	7
Other Vehicles	3	3	2	2	2
Bicycles	5	5	5	4	4
Motor Scooter	0	0	0	0	0
Motorcycles	1	1	1	1	1
<b>Fire/Emergency Medical Services:</b>					
Stations	1	1	1	1	1
Ambulance/Medic Vehicle	2	2	2	2	2
Fire Truck	2	2	2	2	2
Staff Vehicles	4	4	4	4	4
<b>Sanitation/Service:</b>					
Packer trucks	3	3	3	3	4
Kubota collection vehicles	7	7	7	9	9
Dump trucks	3	3	3	3	3
Backhoe	1	1	1	1	1
Leafers	2	2	2	2	2
Staff/Other vehicles	4	4	4	4	4
<b>Other Public Works:</b>					
Streets & alleys (miles)	21.57	21.57	20.82	20.82	20.37
Streetlights - owned	537	537	537	537	424
Street lights - contracted	159	159	159	159	159
Traffic signals	11	11	10	10	10
<b>Parks &amp; Recreation:</b>					
Number of parks	12	9	9	9	9
Park acreage	48	45	45	45	45
Shelter houses	2	2	2	2	2
Swimming pool	1	1	1	1	1
Tennis courts	6	6	6	6	4
Lighted baseball/softball fields	4	4	4	4	4
Grandview Center building	1	1	1	1	1
<b>Water:</b>					
Water mains (miles)	6.35	6.35	6.35	6.35	5.93
Fire hydrants	213	213	213	213	208
<b>Sanitary/Storm Sewer System:</b>					
Miles of sanitary sewers	21.05	21.05	21.05	21.05	20.76
Miles of storm sewers	11.69	11.69	11.69	11.69	11.1
Sewer Jet	1	1	1	1	1
Number of service connections	3,000	3,000	3,000	3,000	3,000

**Source:** City financial records.

2011	2010	2009	2008	2007
1	1	1	1	1
7	7	7	7	9
2	2	2	2	0
4	4	4	4	4
0	0	0	0	0
2	2	2	2	2
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
4	3	3	3	4
4	3	3	3	3
8	10	12	12	9
3	3	3	3	3
1	1	1	1	1
2	2	2	2	2
4	7	4	4	4
20.37	20.37	20.37	20.37	20.37
424	424	424	424	424
159	159	159	159	159
10	11	10	10	10
9	9	9	9	9
45	45	45	45	45
2	2	2	2	2
1	1	1	1	1
4	4	4	4	4
4	4	4	4	4
1	1	1	1	1
5.93	5.93	5.93	5.93	5.93
208	208	208	208	208
20.76	20.76	20.76	20.76	20.76
11.1	11.1	11.1	11.1	11.1
1	1	1	1	1
3,000	3,000	3,000	3,000	3,000

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# Dave Yost • Auditor of State

**CITY OF GRANDVIEW HEIGHTS**

**FRANKLIN COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
JULY 6, 2017**